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CLASSIFICATION OF ACCOUNTS
FOR
MUNICIPAL WATER UTILITIES

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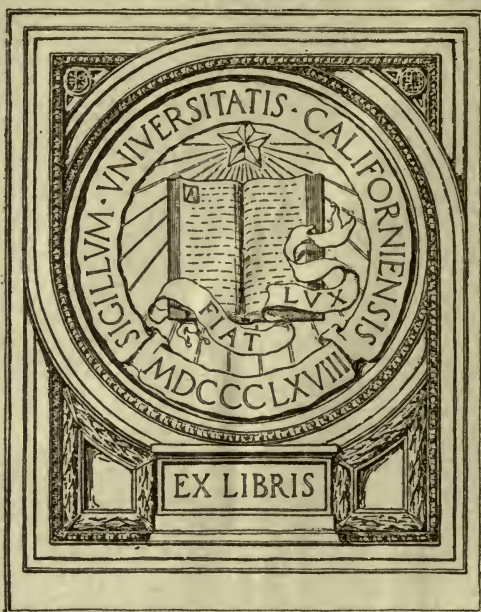
Bureau of Inspection and Supervision of
Public Offices of Washington

1916

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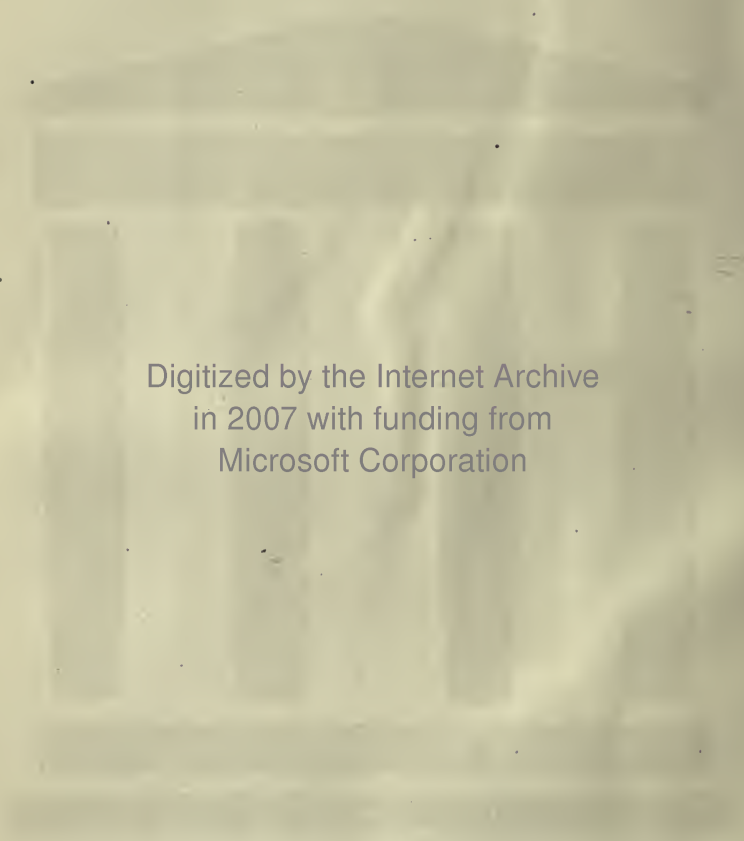
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UNIFORM CLASSIFICATION OF ACCOUNTS

FOR

MUNICIPAL WATER UTILITIES

Washington (State) PRESCRIBED BY

Bureau of Inspection and Supervision of
Public Offices of Washington



C. W. CLAUSEN,

State Auditor and Ex-Officio Chief

Formulated and Revised by

JAMES F. LEGHORN,

Member of the Bureau

AND

MILLARD STRYKER,

State Examiner

EFFECTIVE JANUARY 1, 1916

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for Prof. Hatfield

INTRODUCTION.

UNIFORM SYSTEM OF ACCOUNTING.

This uniform classification of accounts was formulated and prescribed in accordance with Chapter 76, Laws 1909.

Sec. 2. "The State Auditor, through said bureau, shall formulate, prescribe and install a system of accounting and reporting in conformity with the provisions of this act, that shall be uniform for every state office and every state educational, benevolent, penal and reformatory institution, public institution and every public office and every public account of the same class, and which shall exhibit true accounts and detailed statements of funds collected, received and expended for account of the public for any purpose whatever, and by all public officers, employes or other persons, such accounts to show the receipt, use and disposition of all public property, and the income, if any, derived therefrom, and of all sources of public income and the amounts due and received from each source, all receipts, vouchers and other documents kept, or that may be required to be kept, necessary to isolate and prove the validity of every transaction, and all statements and reports made or required to be made, for the internal administration of the office to which they pertain and all reports published, or that may be required to be published, for the information of the people, regarding any and all details of the financial administration of public affairs. (L. '09, p. 137, Sec. 2; R. & B. C., Sec. 8347.)"

SEPARATE ACCOUNTS FOR PUBLIC SERVICE INDUSTRY.

Sec. 4. "Separate accounts shall be kept for every public service industry which shall show the true and entire cost of the ownership and operation thereof, the amount collected annually by general or special taxation for service rendered to the public and the amount and character of the service rendered therefor, and the amount collected annually from private users, if any, for service rendered to them, and the amount and character of the service rendered therefor. (L. '09, p. 138, Sec. 4; R. & B. C., Sec. 8349.)"

ANNUAL REPORT OF TAXING DISTRICTS AND PUBLIC INSTITUTIONS—COMPARATIVE STATISTICS.

Sec. 5. "The State Auditor, through said bureau, shall require from every taxing district, state educational, penal, benevolent and reformatory institution and public institution financial reports covering the full period of each fiscal year, in accordance with the forms and methods prescribed by him, which shall be uniform for all accounts of the same class, which said reports shall be prepared, certified and filed with said bureau within thirty days after the close of each fiscal year by the auditing department of said taxing district or public institution. Such reports shall contain an accurate statement in summarized form of all collections made by or receipts received by the officers from all sources, all accounts due the public treasury but not collected, and of all expenditures for every purpose and by what authority authorized, and also: (a) A statement of all costs of ownership and operation and of all income of each and every public service industry owned and operated by a municipality. (b) A statement of the entire public debt of every taxing district to which power has been delegated by the state to create a public debt, showing the purpose for which each item of the debt was created, the provisions made for the payment of the debt; a classified statement of all receipts and expenditures by any state office, state educational, penal, benevolent and reformatory institution and all public institutions together with such other information as may be required by the State Auditor. Such reports shall be certified as to their correctness by said State Auditor, his deputies, the chief inspector and supervisor of public offices, or other person legally authorized to make such certificate. Their substance shall be published in an annual volume of comparative statistics that shall be issued for each class of accounts at the expense of the state as a public document, and shall be submitted by the State Auditor to the Governor for transmittal to the legislature at the next regular session, or at a special session when required. (L. '09, p. 138, Sec. 5; R. & B. C., Sec. 8350.)"

OFFICERS TO KEEP ACCOUNTS—PENALTY—DEPOSIT OF COLLECTIONS.

Sec. 6. "It shall be the duty of every public officer and employe to keep all accounts of his office in the form prescribed and to make all reports required by the State Auditor. Refusal or neglect to perform these duties shall be deemed an offense against the efficiency of public administration and the welfare of the people, and shall be punished by removal from office, after trial and conviction by a court of competent jurisdiction. Every public officer and employe whose duty it is to collect or receive payments due or for the use of the public shall deposit such moneys collected or received by him with the treasurer of the taxing district once every twenty-four consecutive hours. In case a public officer or employe collects or receives funds for the account of a taxing district of which he is (not) an officer or employe, he shall, during the Saturday of each week, pay to the proper officer of the taxing district for account of which the collection was made or payment received, the full amount collected or received during the current week, for the account of such taxing district. (L. '09, p. 139, Sec. 6; R. & B. C., Sec. 8351; L. '11, chap. 30.)"

GENERAL INSTRUCTIONS.

The records of Municipal Water Utilities of Washington shall be so kept as to show complete information connected with all accounting as prescribed by this classification. All accounting entries shall include suitable and practical information or shall be supported by other records including such information. The form, arrangement and reference data of the records shall be such as will enable ready identification, verification and analysis by the Bureau.

The double entry method of bookkeeping shall be used and all accounting shall be upon the accrual basis, except where such accounting of minor items would necessitate labor and expense in undue proportion to the resultant value.

Subsequent to the installation of this classification no accounts, other than those prescribed herein, shall be set up, except by permission of the Bureau. Additional subdivisions and subaccounts with consistent descriptive titles may be established, if desired; provided, that proper inter-relation is maintained, so that at all times all accounting results will be readily available by division, subdivision, account and subaccount as herein prescribed.

Particular care should be used to preclude errors causing charges of expense items to capital accounts; and all persons in charge of any municipal department whether within or without the operations of the accounting utility, should devote the attention necessary to secure the accurate recording and disposition of data which originate in the department and concern the accounting of the utility.

"Operating Expenses" are classified under three divisions designated **Class A**, **Class B** and **Class C**. The class to be used by each utility will be determined by the Bureau in relation to the utility's volume of business, investment of capital and local requirements and facilities.

Each account number is prefixed and each account used shall be designated, wherever it appears, by its number and prefix.

Should any item present itself to the accountant in charge, which is not provided for herein, a ruling as to its disposition can be had from the Bureau.

The co-operation of all municipal officials and accountants is requested.

CLASSIFICATION OF OPERATING REVENUES FOR MUNICIPAL WATER UTILITIES.

ALL CLASSES.

- R1 Commercial Water Service—Metered.
- R2 Commercial Water Service—Flat Rate.
- R3 Commercial Water Service for Irrigation.
- R4 Municipal Water Service for Street and Sewer Purposes.
- R5 Municipal Water Service for Fire Protection.
- R6 Municipal Water Service for Parks.
- R7 Other Municipal Water Service.
- R8 Other Public Buildings and Grounds Water Service.
- R9 Water Service Sold to Other Water Utilities.
- R10 Self Consumed Service.
- R11 Miscellaneous Operating Revenues.
- R12 Discounts and Adjustments.

OPERATING REVENUES.

R1 COMMERCIAL WATER SERVICE—METERED.

Credit to this account all revenues derived from consumers, except municipal corporations, other civil divisions and other water utilities, for metered water service used for all purposes other than irrigation.

R2 COMMERCIAL WATER SERVICE—FLAT RATE.

Credit to this account all revenues derived from consumers, except municipal corporations, other civil divisions and other water utilities, for water service supplied at flat rates or any basis independent of the quantity of water supplied and used for all purposes other than irrigation.

R3 COMMERCIAL WATER SERVICE FOR IRRIGATION.

Credit to this account all revenues derived from consumers, except municipal corporations, other civil divisions and other water utilities, for water service supplied for irrigation.

Revenues derived from sale of water for lawn sprinkling shall not be credited to this account, but to Account "R1" or Account "R2," as may be applicable.

R4 MUNICIPAL WATER SERVICE FOR STREET AND SEWER PURPOSES.

Credit to this account all revenues derived from municipal corporations for water service supplied for street and sewer purposes, such as street sprinkling and street and sewer flushing, when the cost of distribution of such service is borne by the accounting utility.

R5 MUNICIPAL WATER SERVICE FOR FIRE PROTECTION.

Credit to this account all revenues derived from municipal corporations for water service supplied for fire protection when the cost of distribution of such service is borne by the accounting utility.

R6 MUNICIPAL WATER SERVICE FOR PARKS.

Credit to this account all revenues derived from municipal corporations for water service supplied for parks which are supported by municipal taxation.

R7 OTHER MUNICIPAL WATER SERVICE.

Credit to this account all revenues derived from municipal corporations for water service supplied which is not otherwise provided for, when the cost of distribution of such service is borne by the accounting utility.

R8 OTHER PUBLIC BUILDINGS AND GROUNDS WATER SERVICE.

Credit to this account all revenues derived from civil divisions other than municipal, such as federal and state institutions, counties, school districts, and parks when not supported by municipal taxation, port districts, etc., for water service supplied for buildings and grounds.

R9 WATER SERVICE SOLD TO OTHER WATER UTILITIES.

Credit to this account all revenues derived from the sale of water service to other water utilities for their use or for the purpose of distribution by them thru their own mains to consumers.

R10 SELF CONSUMED SERVICE.

Credit to this account all revenues derived from self consumed service of water used in operations of the accounting utility, when such service is included in the expenditures.

R11 MISCELLANEOUS OPERATING REVENUES.

Credit to this account all revenues derived from operating sources not included in any of the preceding accounts of this division.

R12 DISCOUNTS AND ADJUSTMENTS.

Utilities which carry gross charges on consumers' accounts shall charge to this account all discounts made for prompt payment.

Charge also to this account all revenue deduction adjustments of consumers' accounts which have accrued during the current annual period.

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS A UTILITIES

- I. SUPPLY.
- II. DISTRIBUTION.
- III. COMMERCIAL.
- IV. GENERAL.
- V. DEPRECIATION AND AMORTIZATION.

I. SUPPLY.

A. SOURCE OF WATER SUPPLY AND COLLECTING.

Operation.

- O1 Source of Water Supply and Collecting Labor.
- O2 Superintendence.
- O3 Miscellaneous Labor.
- O4 Supplies and Expenses.
- O5 Other Operations—Dr.
- O6 Other Operations—Cr.

Maintenance.

- M7 Surface Source of Supply and Collecting Equipment.
- M8 Ground Source of Supply and Collecting Equipment.
- M9 Buildings, Fixtures and Grounds.
- M10 Other Operations—Dr.
- M11 Other Operations—Cr.

B. PURIFICATION.

Operation.

- O12 Purification Labor.
- O13 Supplies and Expenses.
- O14 Other Operations—Dr.
- O15 Other Operations—Cr.

Maintenance.

- M16 Equipment.
- M17 Buildings, Fixtures and Grounds.
- M18 Other Operations—Dr.
- M19 Other Operations—Cr.

C. STEAM POWER PUMPING.

Operation.

- O20 Boiler Labor.
- O21 Fuel for Boilers.
- O22 Water for Boilers.
- O23 Steam Purchased for Power.
- O24 Pump Labor.
- O25 Superintendence.
- O26 Miscellaneous Labor.
- O27 Lubricants.
- O28 Miscellaneous Supplies and Expenses.
- O29 Other Operations—Dr.
- O30 Other Operations—Cr.

Maintenance.

- M31 Boilers.
- M32 Boiler Accessories and Piping.
- M33 Steam Power Pumping Equipment.
- M34 Miscellaneous Station Equipment.
- M35 Buildings, Fixtures and Grounds.
- M36 Other Operations—Dr.
- M37 Other Operations—Cr.

Adjustments.

- OM38 Adjustments of Steam Power Pumping Expenses.

D. HYDRAULIC POWER PUMPING.

Operation.

- O39 Hydraulic Labor.
- O40 Water Purchased for Power.
- O41 Pump Labor.
- O42 Superintendence.
- O43 Miscellaneous Labor.
- O44 Lubricants.
- O45 Miscellaneous Supplies and Expenses.
- O46 Other Operations—Dr.
- O47 Other Operations—Cr.

Maintenance.

- M48 Power Dams, Canals, Flumes and Reservoirs.
- M49 Turbines and Water Wheels.
- M50 Hydraulic Power Pumping Equipment.
- M51 Miscellaneous Station Equipment.
- M52 Buildings, Fixtures and Grounds.
- M53 Other Operations—Dr.
- M54 Other Operations—Cr.

E. ELECTRIC POWER PUMPING.

Operation.

- O56 Electric Current Generated.
- O57 Electric Current Purchased.
- O58 Pump Labor.
- O59 Superintendence.
- O60 Miscellaneous Labor.
- O61 Lubricants.
- O62 Miscellaneous Supplies and Expenses.
- O63 Other Operations—Dr.
- O64 Other Operations—Cr.

Maintenance.

- M65 Electric Power Pumping Equipment.
- M66 Miscellaneous Station Equipment.
- M67 Buildings, Fixtures and Grounds.
- M68 Other Operations—Dr.
- M69 Other Operations—Cr.

Adjustments.

- OM70 Adjustments of Electric Power Pumping Expenses.

F. GAS POWER PUMPING.

Operation.

- O71 Gas Producer Labor.
- O72 Fuel for Gas Producers.
- O73 Water for Gas Producers.
- O74 Gas Purchased for Power.
- O75 Water for Cooling Engines.
- O76 Pump Labor.
- O77 Superintendence.
- O78 Miscellaneous Labor.
- O79 Lubricants.
- O80 Miscellaneous Supplies and Expenses.
- O81 Other Operations—Dr.
- O82 Other Operations—Cr.

Maintenance.

- M83 Gas Producers and Accessory Equipment.
- M84 Gas Power Pumping Equipment.
- M85 Miscellaneous Station Equipment.
- M86 Buildings, Fixtures and Grounds.
- M87 Other Operations—Dr.
- M88 Other Operations—Cr.

Adjustments.

- OM89 Adjustments of Gas Power Pumping Expenses.

G. WATER PURCHASED.

Operation.

- O90 Commercial Water Purchased for Distribution.
- O91 Other Operations—Dr.
- O92 Other Operations—Cr.

H. SUPPLY TRANSMISSION AND STORAGE.

Operation.

- O93 Supply Transmission and Storage Labor.
- O94 Superintendence.
- O95 Supplies and Expenses.
- O96 Other Operations—Dr.
- O97 Other Operations—Cr.

Maintenance.

- M98 Right of Way, Patrol Roads and Bridges.
- M99 Supply Transmission Aqueducts and Mains.
- M100 Supply Reservoirs and Standpipes.
- M101 Telephone System.
- M102 Miscellaneous Supply Transmission and Storage Equipment.
- M103 Buildings, Fixtures and Grounds.
- M104 Other Operations—Dr.
- M105 Other Operations—Cr.

II. DISTRIBUTION.

Operation.

- O106 Superintendence.
- O107 Reservoirs, Tanks and Standpipes.
- O108 Mains and Hydrants.
- O109 Services.
- O110 Removing and Resetting Meters.
- O111 Inspecting and Testing Meters.
- O112 Meter Department Supplies and Expenses.
- O113 Consumers' Premises.
- O114 Miscellaneous Supplies and Expenses.
- O115 Other Operations—Dr.
- O116 Other Operations—Cr.

Maintenance.

- M117 Reservoirs, Tanks and Standpipes.
- M118 Mains.
- M119 Hydrants.
- M120 Services.
- M121 Meters.
- M122 Telephone System.
- M123 Fire Cisterns and Basins.
- M124 Fountains and Troughs.
- M125 Miscellaneous Equipment.
- M126 Buildings, Fixtures and Grounds.
- M127 Other Operations—Dr.
- M128 Other Operations—Cr.

III. COMMERCIAL.

Office Salaries and Expenses.

- C129 Contracts.
- C130 Meter Reading and Service Inspection.
- C131 Accounting.
- C132 Collecting.
- C133 Other Commercial Office Salaries and Expenses.

New Business Salaries and Expenses.

- C134 Advertising and Soliciting.
- C135 Other New Business Salaries and Expenses.

Maintenance.

- C136 Maintenance of Commercial Office Equipment.

IV. GENERAL.

Office.

- G137 Salaries and Expenses of General Officers.
- G138 Salaries and Expenses of General Office Clerks.
- G139 Printing, Stationery and Office Supplies—General.
- G140 General Office Expense.
- G141 General Office Rent.
- G142 Maintenance of General Office Buildings, Fixtures and Grounds.
- G143 Maintenance of General Office Equipment.

Miscellaneous.

- G144 Insurance.
- G145 Store Expenses.
- G146 Law Expense—General.
- G147 Injuries and Damages.
- G148 Miscellaneous General Expense.
- G149 Maintenance of Other Buildings, Fixtures and Grounds.
- G150 Maintenance of Miscellaneous Equipment.

V. DEPRECIATION AND AMORTIZATION.

- DA151 Depreciation of Tangible Fixed Capital.
- DA152 Amortization of Intangible Fixed Capital.

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

(C) STEAM POWER PUMPING.

Operation.		Operation.		Operation.	
O13	Boiler labor, fuel and water.....	O20	Boiler labor	O5	Operation of steam power pumping plant.
O14	Steam purchased for power.....	O21	Fuel for boilers.....		
O15	Other operating labor.....	O22	Water for boilers.....		
		O23	Steam purchased for power.....		
O16	Miscellaneous supplies and expenses..	O24	Pump labor		
O17	Other operations—Dr.....	O25	Superintendence		
O18	Other operations—Cr.....	O26	Miscellaneous labor		
		O27	Lubricants		
		O28	Miscellaneous supplies and expenses...		
		O29	Other operations—Dr.		
		O30	Other operations—Cr.		
Maintenance		Maintenance.		Maintenance.	
M19	Boilers and accessories.....	M31	Boilers	M6	Maintenance of steam power pumping plant.
M20	Steam power pumping station equipment	M32	Boiler accessories and piping.....		
		M33	Steam power pumping equipment.....		
M21	Buildings, fixtures and grounds.....	M34	Miscellaneous station equipment.....		
M22	Other operations—Dr.....	M35	Buildings, fixtures and grounds.....		
M23	Other operations—Cr.....	M36	Other operations—Dr.		
		M37	Other operations—Cr.		
Adjustments.		Adjustments.			
OM24	Adjustments of steam power pumping expenses	OM38	Adjustments of steam power pumping expenses		

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

(D) HYDRAULIC POWER PUMPING.

Operation.

O25	Hydraulic labor
O26	Water purchased for power
O27	Other operating labor
O28	Miscellaneous supplies and expenses
O29	Other operations—Dr.
O30	Other operations—Cr.

Maintenance

M31	Power dams, canals, flumes and reservoirs
M32	Hydraulic power pumping station equipment
M33	Buildings, fixtures and grounds
M34	Other operations—Dr.
M35	Other operations—Cr.

Operation.

O39	Hydraulic labor
O40	Water purchased for power
O41	Pump labor
O42	Superintendence
O43	Miscellaneous labor
O44	Lubricants
O45	Miscellaneous supplies and expenses
O46	Other operations—Dr.
O47	Other operations—Cr.

Maintenance.

M48	Power dams, canals, flumes and reservoirs
M49	Turbines and water wheels
M50	Hydraulic power pumping equipment
M51	Miscellaneous station equipment
M52	Buildings, fixtures and grounds
M53	Other operations—Dr.
M54	Other operations—Cr.

Operation.

O7 Operation of hydraulic power pumping plant.

Maintenance.

M8 Maintenance of hydraulic power pumping plant.

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

(E) ELECTRIC POWER PUMPING.

Operation.		Operation.	
O37	Electric current generated.....	O56	Electric current generated.....
O38	Electric current purchased.....	O57	Electric current purchased.....
		O58	Pump labor
O39	Operating labor	O59	Superintendence.....
		O60	Miscellaneous labor.....
O40	Miscellaneous supplies and expenses..	O61	Lubricants
O41	Other operations—Dr.....	O62	Miscellaneous supplies and expenses....
O42	Other operations—Cr.....	O63	Other operations—Dr.....
		O64	Other operations—Cr.....
Maintenance		Maintenance.	
M43	Electric power pumping station equipment	M65	Electric power pumping equipment.....
		M66	Miscellaneous station equipment.....
M44	Buildings, fixtures and grounds.....	M67	Buildings, fixtures and grounds.....
M45	Other operations—Dr.....	M68	Other operations—Dr.....
M46	Other operations—Cr.....	M69	Other operations—Cr.....
Adjustments.		Adjustments.	
OM47	Adjustments of electric power pumping expenses	OM70	Adjustments of electric power pumping expenses

O9 Operation of electric power pumping plant.

Maintenance.

M10 Maintenance of electric power pumping plant.

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

(F) GAS POWER PUMPING.

Operation.		Operation.	
O48	Gas producer labor, fuel and water....	O71	Gas producer labor.....
O49	Gas purchased for power.....	O72	Fuel for gas producers.....
O50	Other operating labor.....	O73	Water for gas producers.....
		O74	Gas purchased for power.....
		O76	Pump labor.....
		O77	Superintendence.....
O51	Miscellaneous supplies and expenses..	O78	Miscellaneous labor.....
O52	Other operations—Dr.....	O75	Water for cooling engines.....
O53	Other operations—Cr.....	O79	Lubricants.....
		O80	Miscellaneous supplies and expenses...
		O81	Other operations—Dr.....
		O82	Other operations—Cr.....
Maintenance		Maintenance.	
M54	Gas producers and accessory equipment.....	M83	Gas producers and accessory equipment}
M55	Gas power pumping station equipment }	M84	Gas power pumping equipment.....
M56	Buildings, fixtures and grounds.....	M85	Miscellaneous station equipment.....
M57	Other operations—Dr.....	M86	Buildings, fixtures and grounds.....
M58	Other operations—Cr.....	M87	Other operations—Dr.....
		M88	Other operations—Cr.....
Adjustments.		Adjustments.	
OM59	Adjustments of gas power pumping expenses.....	OM89	Adjustments of gas power pumping expenses.....

O11 Operation of gas power pumping plant.

Maintenance.

M12 Maintenance of gas power pumping plant.

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

(G) WATER PURCHASED.

Operation.		Operation.	
O60	Commercial water purchased for distribution	O90	Commercial water purchased for distribution
O61	Other operations—Dr.	O91	Other operations—Dr.
O62	Other operations—Cr.	O92	Other operations—Cr.

O13 Commercial water purchased for distribution.

(H) SUPPLY TRANSMISSION AND STORAGE.

Operation.		Operation.	
O63	Operating labor	O93	Supply transmission and storage labor..
O64	Supplies and expenses	O94	Superintendence
O65	Other operations—Dr.	O95	Supplies and expenses
O66	Other operations—Cr.	O96	Other operations—Dr.
		O97	Other operations—Cr.

O14 Supply transmission and storage operation.

Maintenance

Maintenance.

M67	Supply transmission and storage system	M98	Right of way, patrol roads and bridges
		M99	Supply transmission aqueducts and mains
		M100	Supply reservoirs and standpipes....
		M101	Telephone system
		M102	Miscellaneous supply transmission and storage equipment
		M103	Buildings, fixtures and grounds....
M68	Other operations—Dr.	M104	Other operations—Dr.
M69	Other operations—Cr.	M105	Other operations—Cr.

M15 Supply transmission and storage maintenance.

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

II. DISTRIBUTION.

Operation.		Operation.	
O70	Distribution labor and expenses.....	O106	Superintendence
		O107	Reservoirs, tanks and standpipes....
		O108	Mains and hydrants.....
		O109	Services
		O110	Removing and resetting meters.....
		O111	Inspecting and testing meters.....
O71	Meters	O112	Meter department supplies and ex- penses
O72	Consumers' premises.....	O113	Consumers' premises
O73	Miscellaneous supplies and expenses..	O114	Miscellaneous supplies and expenses..
O74	Other operations—Dr.....	O115	Other operations—Dr.....
O75	Other operations—Cr.....	O116	Other operations—Cr.....
		O16	
		Operation of distribution system.	
Maintenance		Maintenance.	
M76	Reservoirs and mains.....	M117	Reservoirs, tanks and standpipes....
M77	Hydrants	M118	Mains
M78	Services	M119	Hydrants
M79	Meters	M120	Services
		M121	Meters
		M122	Telephone system
M80	Other distribution equipment and buildings, fixtures and grounds....	M123	Fire cisterns and basins.....
		M124	Fountains and troughs.....
		M125	Miscellaneous equipment
		M126	Buildings, fixtures and grounds.....
M81	Other operations—Dr.....	M127	Other operations—Dr.....
M82	Other operations—Cr.....	M128	Other operations—Cr.....
		M17	
		Maintenance of distribu- tion system.	

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

III. COMMERCIAL.

Office Salaries and Expenses.

Office Salaries and Expenses.

C83 Commercial office salaries and expenses

C129 Contracts
 C130 Meter reading and service inspection.
 C131 Accounting
 C132 Collecting
 C133 Other commercial office salaries and expenses

New Business Salaries and Expenses.
 C84 Commercial new business salaries and expenses

New Business Salaries and Expenses.
 C134 Advertising and soliciting.....
 C135 Other new business salaries and expenses

C18 Commercial salaries and expenses.

Maintenance.

Maintenance.

C85 Maintenance of commercial office equipment

C136 Maintenance of commercial office equipment

CLASSIFICATION OF OPERATING EXPENSES FOR MUNICIPAL WATER UTILITIES.

CLASS B UTILITIES.

CLASS A UTILITIES.

CLASS C UTILITIES.

IV. GENERAL.

Office.

Office.

G86 Salaries and expenses of general officers

G87 Salaries and expenses of general office clerks

G88 Printing, stationery and office supplies—General

G137 Salaries and expenses of general officers

G138 Salaries and expenses of general office clerks

G139 Printing, stationery and office supplies—General

G89 Other general office expense.....

G90 Maintenance of general office buildings, fixtures, grounds and equipment

{ G140 General office expense.....

G141 General office rent.....

G142 Maintenance of general office buildings, fixtures and grounds.....

G143 Maintenance of general office equipment

G19 General office salaries and expenses.

Miscellaneous.

G91 Insurance

G92 Store expenses

G93 Law expense—General, injuries and damages

G94 Miscellaneous general expense.....

G95 Maintenance of other buildings, fixtures and grounds.....

G96 Maintenance of miscellaneous equipment

Miscellaneous

G144 Insurance

G145 Store expenses

{ G146 Law expense—General

G147 Injuries and damages.....

G148 Miscellaneous general expense.....

G149 Maintenance of other buildings, fixtures and grounds.....

G150 Maintenance of miscellaneous equipment

Miscellaneous.

G20 Miscellaneous general expenses.

V. DEPRECIATION AND AMORTIZATION.

DA97 Depreciation of tangible fixed capital

DA98 Amortization of intangible fixed capital

DA151 Depreciation of tangible fixed capital

DA152 Amortization of intangible fixed capital

DA21 Depreciation and amortization.

OPERATING EXPENSES.

I. SUPPLY.

A. SOURCE OF WATER SUPPLY AND COLLECTING.

OPERATION.

O1 SOURCE OF WATER SUPPLY AND COLLECTING LABOR.

Charge to this account the wages of all employes operating source of water supply and collecting system properties, including foremen, dam tenders, intake operators, etc. Include also the wages of patrolmen and inspectors and the wages of employes when engaged in the protection of property from forest fires and floods.

O2 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the source of water supply and collecting system. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed directly chargeable to expenses of the source of water supply and collecting system.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the source of water supply and collecting system.

O3 MISCELLANEOUS LABOR.

Charge to this account the cost of all miscellaneous labor in connection with operating the source of water supply and collecting system not properly chargeable to the other accounts of this division.

O4 SUPPLIES AND EXPENSES.

Charge to this account all operating supplies consumed and all expenses incurred in the operation of the source of water supply and collecting system not properly chargeable to other accounts.

Charge also to this account the proportion of stable and vehicle expense chargeable to the operation of the source of water supply and collecting system.

O5 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Source of Water Supply and Collecting System—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O6 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Source of Water Supply and Collecting System—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.

Definition.—MAINTENANCE consists of all expenditures for the current or ordinary repairs and renewals, occasioned by wear and tear, made in order to maintain the productive capacity of the plant in its original and equivalent state of efficiency. It includes all repair items and all minor renewals of property such as repair parts of machinery and apparatus, repairs and small renewals. When a large or general renewal is made at one time, such as the complete replacement of a building, unit of equipment, or other facility, the cost of such replacement will be treated as provided in "Depreciation."

M7 SURFACE SOURCE OF SUPPLY AND COLLECTING EQUIPMENT.

Charge to this account the cost of repairing and renewing the surface source of supply and collecting equipment. This includes the cost of repairs to and renewals of river and lake sources, impounding reservoirs, artificial lakes and ponds, etc., together with repairs to impounding embankments, channels, collecting flumes, waste weirs, gates, valves, gate structures, and repairs to works for utilizing the flow from springs.

M8 GROUND SOURCE OF SUPPLY AND COLLECTING EQUIPMENT.

Charge to this account the cost of repairing and renewing wells and appurtenances, collecting reservoirs and other works for utilizing the supply from wells.

M9 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing source of water supply and collecting system buildings and fixtures and maintaining grounds, including permanent apparatus foundations used exclusively for water supply and collection.

M10 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Source of Water Supply and Collecting System—Maintenance," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M11 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Source of Water Supply and Collecting System—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

B. PURIFICATION.

OPERATION.

O12 PURIFICATION LABOR.

Charge to this account the cost of all labor engaged in the purification of water. This includes the cost of labor required for operating purification equipment, cleaning filters, basins, etc.

O13 SUPPLIES AND EXPENSES.

Charge to this account the cost of all operating supplies consumed and expenses other than labor incurred in the purification of water and operation of purification equipment.

O14 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Purification—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O15 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Purification—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

M16 EQUIPMENT.

Charge to this account the cost of repairing and renewing settling basins and all equipment used in the purification of water, including renewing and washing sand.

M17 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing purification buildings, fixtures and grounds including permanent foundations for apparatus used exclusively in the purification of water.

M18 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Purification—Maintenance," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M19 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Purification—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

* See definition preceding Account "M7."

C. STEAM POWER PUMPING.

OPERATION.

020 BOILER LABOR.

Charge to this account the cost of all labor required for operation of boilers, including boiler foreman, water tenders, firemen, coal and ash handlers, feed pumpmen, etc.

021 FUEL FOR BOILERS.

Charge to this account the cost of all fuel used for steam at the cost f. o. b. point of delivery at plant for storage. This includes invoice cost of the fuel, freight, switching, demurrage, cartage and loss due to shrinkage.

Charge also to this account all expense, both labor and material, incident to moving ashes from temporary dump to final dump.

Credit to this account all revenue received from the sale of ashes.

022 WATER FOR BOILERS.

Charge to this account the cost of water for boiler feed and condensing purposes. If the water is purchased, charge at the purchase price; if pumped, charge here the cost of operating the pumping plant.

Charge also to this account boiler compounds and materials used for boiler water purification and filtration; also boiler water purification labor.

Water for general use should be charged to Account "028 Miscellaneous Supplies and Expenses."

023 STEAM PURCHASED FOR POWER.

Charge to this account the cost of steam purchased for steam power pumping.

024 PUMP LABOR.

Charge to this account the cost of all labor engaged in operating steam power pumping equipment. This includes such labor as that of chief engineer and assistants, oilers, wipers, and all other employes whose duties concern the operation of steam power pumping equipment.

025 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the steam power pumping plant. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed, directly chargeable to the steam power pumping plant, whether at the general office or at the plant.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the steam power pumping plant.

O26 MISCELLANEOUS LABOR.

Charge to this account the wages of all employees in and about the steam power pumping plant engaged in miscellaneous operating work, including watchmen, labor cleaning buildings and yards, janitors, messengers and general labor not chargeable to any of the foregoing steam power pumping plant labor accounts.

O27 LUBRICANTS.

Charge to this account the cost of lubricants for all machinery and apparatus in the steam power pumping plant, including boiler room machinery, engines and auxiliaries, etc. This does not include wagon grease or oil for lanterns.

O28 MISCELLANEOUS SUPPLIES AND EXPENSES.

Charge to this account all operating supplies consumed and all expenses incurred in the steam power pumping plant not properly chargeable to other accounts as follows:

(a) Production Supplies.

All supplies used in the steam power pumping plant which are consumed in the operating process, the replacement of which does not constitute a repair or a renewal.

Principal Items. Waste, packing, wiping supplies, gauge glasses, gaskets, fire room tools, steam and air hose, bolts, screws, nails, cans for containing rags and waste and hand oil cans.

(b) Station Expenses.

The general and miscellaneous expenditures in the steam power pumping plant not properly chargeable to other accounts.

Principal Items. Operation of lighting, heating, cleaning and fire protection systems; janitors' supplies, ice, meals, car-fares and toilet service. Charge also to this subaccount the proportion of stable and vehicle expense chargeable to steam power pumping which is not directly chargeable to other steam power pumping expense accounts.

O29 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Steam Power Pumping—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O30 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Steam Power Pumping—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

M31 BOILERS.

Charge to this account the cost of repairing and renewing boilers and settings, metal stacks and breechings.

Principal Items. Boiler settings, metal stacks and breechings, bridge walls, arches, grate bars, stoker bars, furnaces, valves, superheaters, dampers, headers and tubes.

M32 BOILER ACCESSORIES AND PIPING.

Charge to this account the cost of repairing and renewing boiler accessories, auxiliary apparatus and piping.

Principal Items. Feed pumps, water feed piping, steam piping from the boiler to the engine throttle, blower engines, boiler blow-off system and similar auxiliary equipment; coal conveyor and parts, ash conveyor and parts, stoker engines and shafting, coal scales, filters, boiler injectors and pumps, heaters—primary and secondary—economizers and water meters.

M33 STEAM POWER PUMPING EQUIPMENT.

Charge to this account the cost of repairing and renewing steam power pumping equipment, including steam pumping engines, pumps and steam prime movers, whether reciprocating engines or turbines. Repairing and renewing power transmission equipment should be charged to Account "M34 Miscellaneous Station Equipment."

NOTE.—Utilities using power pumps operated by steam prime movers which are distinct from the pumps, may subdivide this account as follows:

- (a) Maintenance of Pumps.
- (b) Maintenance of Steam Prime Movers.

M34 MISCELLANEOUS STATION EQUIPMENT.

Charge to this account the cost of repairing and renewing steam power pumping plant auxiliary equipment, including exhaust steam piping, condensers, vacuum pumps and piping, oiling systems, power transmission equipment, such as shafting, belting, rope and cable drives, clutches, pulleys, idler wheels, auxiliary motors, hoists, cranes and all other accessory equipment.

* See definition preceding Account "M7."

M35 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing steam power pumping station buildings and fixtures and maintaining grounds.

Principal Items. Permanent foundations for equipment; brick or concrete stacks; furniture and fixtures and other property of like nature in and about the steam power pumping plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; apparatus for heating, lighting and ventilating; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus; lockers; painting; employes' dwellings and other miscellaneous buildings used in connection with the steam power pumping plant.

NOTE.—Permanent foundations are those designed as a part of the permanent construction of the building. The maintenance of foundations prepared separately for certain units of equipment will be charged under the appropriate maintenance of equipment accounts.

M36 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Steam Power Pumping—Maintenance," the distributed charges having been made to primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M37 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Steam Power Pumping—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

ADJUSTMENTS.

OM38 ADJUSTMENTS OF STEAM POWER PUMPING EXPENSES.

Credit to this account the cost of steam sold to other municipal departments, public institutions, firms and individuals, as included in the preceding expense accounts of this division, and charge to Account "RE204 Produced Steam Sold."

D. HYDRAULIC POWER PUMPING.

OPERATION.

O39 HYDRAULIC LABOR.

Charge to this account the cost of all labor required for operation of the hydraulic works, including hydraulic foreman, gatemen, wheel men, canal men, patrolling of reservoirs, dams and channels and all other employes whose duties concern the operation of hydraulic power equipment.

O40 WATER PURCHASED FOR POWER.

Charge to this account the cost of all water purchased for the purpose of operating the hydraulic power pumping equipment.

O41 PUMP LABOR.

Charge to this account the cost of all labor engaged in operating hydraulic power pumping equipment. This includes such labor as that of chief engineer and assistants, oilers, wipers and all other employes whose duties concern the operation of hydraulic power pumping equipment.

O42 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the hydraulic power pumping plant. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed directly chargeable to the hydraulic power pumping plant, whether at the general office or at the plant.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the hydraulic power pumping plant.

O43 MISCELLANEOUS LABOR.

Charge to this account the wages of all employes in and about the hydraulic power pumping plant engaged in miscellaneous operating work, including watchmen, labor cleaning buildings and yards, janitors, messengers and general labor not chargeable to any of the foregoing hydraulic power pumping labor accounts.

O44 LUBRICANTS.

Charge to this account the cost of lubricants for all machinery and apparatus in the hydraulic power pumping plant. This does not include wagon grease or oil for lanterns.

O45 MISCELLANEOUS SUPPLIES AND EXPENSES.

Charge to this account all operating supplies consumed and all expenses incurred in the hydraulic power pumping plant not properly chargeable to other accounts as follows:

(a) Production Supplies.

All supplies used in the hydraulic power pumping plant which are consumed in the operating process, the replacement of which does not constitute a repair or renewal.

Principal Items. Waste, packing, wiping supplies, hand tools, bolts, screws, nails, cans for containing waste and rags, and hand oil cans.

(b) Station Expenses.

The general and miscellaneous expenditures in the hydraulic power pumping plant not properly chargeable to other accounts.

Principal Items. Operation of lighting, heating, cleaning and fire protection systems; janitors' supplies, ice, meals, car fares and toilet service. Charge also to this subaccount the cost of stable and vehicle expense chargeable to hydraulic power pumping which is not directly chargeable to other hydraulic power pumping expense accounts.

O46 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Hydraulic Power Pumping—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O47 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Hydraulic Power Pumping—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

M48 POWER DAMS, CANALS, FLUMES AND RESERVOIRS.

Charge to this account the cost of repairing and renewing dams, embankments, etc., for impounding water for power purposes, and all appurtenant gates, valves, weirs, waste-ways, canals, conduits and other channels (including riprap lining walls, etc.), penstocks, pipe lines, flumes, aqueducts, supporting trestles, forebays and appurtenant sieves and grids, etc., all viaducts, bridges, foot bridges, etc., over and accessory to or necessitated by such canals, aqueducts and flumes and also the waste-ways conducting the water from the outlet of the draft tube to the point of the final discharge.

M49 TURBINES AND WATER WHEELS.

Charge to this account the cost of repairing and renewing head gates, wheel governors, valves, turbines, water wheels, draft tubes and connections. Repairing and renewing power transmission equipment should be charged to Account "M51 Miscellaneous Station Equipment."

M50 HYDRAULIC POWER PUMPING EQUIPMENT.

Charge to this account the cost of repairing and renewing hydraulic power pumps and hydraulic power pumping equipment.

M51 MISCELLANEOUS STATION EQUIPMENT.

Charge to this account the cost of repairing and renewing hydraulic power pumping plant auxiliary equipment, oiling systems, power transmission equipment, such as shafting, belting, rope and cable drives, clutches, pulleys, idler wheels, auxiliary motors, hoists, cranes and all other accessory equipment.

M52 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing hydraulic power pumping station buildings and fixtures and maintaining grounds.

Principal Items. Permanent foundations for equipment; furniture and fixtures and other property of like nature in and about the hydraulic power pumping plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; apparatus for heating, lighting and ventilating; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus, lockers; painting; employes' dwellings and other miscellaneous buildings used in connection with the hydraulic power pumping plant.

NOTE.—Permanent foundations are those designed as a part of the permanent construction of the building. The maintenance of foundations prepared separately for certain units of equipment will be charged under the appropriate maintenance of equipment accounts.

* See definition preceding Account "M7."

M53 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Hydraulic Power Pumping—Maintenance," the distributed charges having been made to primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M54 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Hydraulic Power Pumping—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

E. ELECTRIC POWER PUMPING.

OPERATION.

O56 ELECTRIC CURRENT GENERATED.

Charge to this account the cost of electric current generated by the accounting utility for electric power pumping.

The costs included in this account shall be subdivided according to the accounts prescribed by the Classification for Municipal Electric Light and Power Utilities, "Operating Expenses," Division I, Subdivisions A, B and C, as may be applicable.

O57 ELECTRIC CURRENT PURCHASED.

Charge to this account the cost of all electric current purchased for the operation of electric power pumps.

O58 PUMP LABOR.

Charge to this account the cost of all labor engaged in operating electric power pumping equipment. This includes such labor as that of chief engineer and assistants, oilers, wipers and all other employees whose duties concern the operation of electric power pumping equipment.

O59 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the electric power pumping plant. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed directly chargeable to the electric power pumping plant, whether at the general office or at the plant.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the electric power pumping plant.

O60 MISCELLANEOUS LABOR.

Charge to this account the wages of all employes in and about the electric power pumping plant engaged in miscellaneous operating work, including watchmen, labor cleaning buildings and yards, janitors, messengers and general labor not chargeable to any of the foregoing electric power pumping plant labor accounts.

O61 LUBRICANTS.

Charge to this account the cost of lubricants for all machinery and apparatus in the electric power pumping plant. This does not include wagon grease or oil for lanterns.

O62 MISCELLANEOUS SUPPLIES AND EXPENSES.

Charge to this account all operating supplies consumed and all expenses incurred in the electric power pumping plant not chargeable to other accounts as follows:

(a) Production Supplies.

All supplies used in the electric power pumping plant which are consumed in the operating process, the replacement of which does not constitute a repair or a renewal.

Principal Items. Waste, packing, wiping supplies, bolts, screws, nails, cans for containing rags and waste, and hand oil cans.

(b) Station Expenses.

The general and miscellaneous expenditures in the electric power pumping plant not properly chargeable to other accounts.

Principal Items. Operation of station lighting, heating, cleaning and fire protection systems; janitors' supplies, ice, meals, car fares and toilet service. Charge also to this sub-account the proportion of stable and vehicle expense chargeable to electric power pumping which is not directly chargeable to other electric power pumping expense accounts.

O63 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Electric Power Pumping—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O64 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Electric Power Pumping—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

M65 ELECTRIC POWER PUMPING EQUIPMENT.

Charge to this account the cost of repairing and renewing electric power pumps and pumping equipment.

Repairing and renewing power transmission equipment should be charged to Account "M66 Miscellaneous Station Equipment."

NOTE.—Utilities using power pumps operated by electric prime movers which are distinct from the pumps may subdivide this account as follows:

- (a) Maintenance of Pumps.
- (b) Maintenance of Electric Prime Movers.

M66 MISCELLANEOUS STATION EQUIPMENT.

Charge to this account the cost of repairing and renewing electric power pumping plant auxiliary equipment, oiling systems, power transmission equipment, such as shafting, belting, rope and cable drives, clutches, pulleys, idler wheels, auxiliary motors, hoists, cranes, switchboards and all other accessory equipment.

M67 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing electric power pumping station buildings and fixtures and maintaining grounds.

Principal Items. Permanent foundations for equipment; furniture, fixtures and other property of like nature in and about the electric power pumping plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; apparatus for heating, lighting and ventilating; fire protection system; grounds, streets and sidewalks; elevators, including control and operating apparatus; lockers; painting; employes' dwellings and other miscellaneous buildings used in connection with the electric power pumping plant.

NOTE.—Permanent foundations are those designed as a part of the permanent construction of the building. The maintenance of foundations prepared separately for certain units of equipment will be charged under the appropriate maintenance of equipment accounts.

M68 OTHER OPERATIONS—Dr.

Charge to this account the proportion of operating expenses chargeable to "Electric Power Pumping—Maintenance," the distributed charges having been made to primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M69 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Electric Power Pumping—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

* See definition preceding Account "M7."

ADJUSTMENTS.

OM70 ADJUSTMENTS OF ELECTRIC POWER PUMPING EXPENSES.

Credit to this account the cost of generated electric current sold to other municipal departments, public institutions, firms and individuals, as included in Account "O56" and charge to Account "RE205 Generated Electric Current Sold."

F. GAS POWER PUMPING.

OPERATION.

071 GAS PRODUCER LABOR.

Charge to this account the cost of operating labor engaged in the production of power gas.

072 FUEL FOR GAS PRODUCERS.

Charge to this account the cost of fuel used for producing power gas at the cost f. o. b. point of delivery at plant for storage. This includes the invoice cost of the fuel, freight, switching, demurrage, cartage and loss due to shrinkage.

Charge also to this account all expense, both labor and material, incident to moving ashes from temporary dump to final dump.

Credit to this account all revenue derived from the sale of ashes.

073 WATER FOR GAS PRODUCERS.

Charge to this account the cost of water used for producing power gas. If the water is purchased, charge at the purchase price; if pumped, charge here the cost of pumping.

074 GAS PURCHASED FOR POWER.

Charge to this account the cost of gas purchased for gas power pumping.

075 WATER FOR COOLING ENGINES.

Charge to this account the cost of water used and expenses incurred in connection therewith for cooling gas engines.

076 PUMP LABOR.

Charge to this account the cost of all labor engaged in operating gas power pumping equipment. This includes such labor as that of chief engineer and assistants, oilers, wipers and all other employees whose duties concern the operation of gas power pumping equipment.

077 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the gas power pumping plant. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed directly chargeable to the gas power pumping plant, whether at the general office or at the plant.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the gas power pumping plant.

078 MISCELLANEOUS LABOR.

Charge to this account the wages of all employes in and about the gas power pumping plant engaged in miscellaneous operating work, including watchmen, labor cleaning buildings and yards, janitors, messengers and general labor not chargeable to any of the foregoing gas power pumping plant labor accounts.

079 LUBRICANTS.

Charge to this account the cost of lubricants for all machinery and apparatus in the gas power pumping plant. This does not include wagon grease or oil for lanterns.

080 MISCELLANEOUS SUPPLIES AND EXPENSES.

Charge to this account all operating supplies consumed and all expenses incurred in the gas power pumping plant not properly chargeable to other accounts, as follows:

(a) Production Supplies.

All supplies used in the gas power pumping plant which are consumed in the operating process, the replacement of which does not constitute a repair or a renewal.

Principal Items. Waste, packing, wiping supplies, gaskets, fire room tools, air hose, bolts, screws, nails, cans for containing rags and waste, and hand oil cans.

(b) Station Expenses.

The general and miscellaneous expenditures in the gas power pumping plant not properly chargeable to other accounts.

Principal Items. Operation of lighting, heating, cleaning and fire protection systems; janitors' supplies, ice, meals, car fares and toilet service. Charge also to this subaccount the proportion of stable and vehicle expense chargeable to gas power pumping which is not directly chargeable to other gas power pumping expense accounts.

081 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Gas Power Pumping—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

082 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Gas Power Pumping—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

M83 GAS PRODUCERS AND ACCESSORY EQUIPMENT.

Charge to this account the cost of repairing and renewing gas producers and accessory equipment used in the production of gas for gas power pumping. This includes producers, economizers, regenerators, vaporizers, steam injectors, scrubbers, exhauster outfits, seals, appurtenant boilers and pumps, flues and piping, blower engines, gas piping for producers to gas prime movers and to holders, producer gas holders, exhaust piping, etc.

M84 GAS POWER PUMPING EQUIPMENT.

Charge to this account the cost of repairing and renewing gas power pumping equipment, including gas pumping engines, pumps and gas prime movers. Repairing and renewing power transmission equipment should be charged to Account "M85 Miscellaneous Station Equipment."

M85 MISCELLANEOUS STATION EQUIPMENT.

Charge to this account the cost of repairing and renewing all gas power pumping plant auxiliary equipment, oiling systems, power transmission equipment, such as shafting, belting, rope and cable drives, clutches, pulleys, idler wheels, auxiliary motors, hoists, cranes and all other accessory equipment.

M86 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing gas producer plant and gas power pumping plant buildings and fixtures and maintaining grounds.

Principal Items. Permanent foundations for equipment, brick or concrete stacks, furniture, fixtures and other property of like nature in and about the plant not specifically provided for elsewhere; plumbing for water, sewerage and drainage; apparatus for heating, lighting and ventilating; fire protection system; grounds, streets and sidewalks; elevators including control and operating apparatus; lockers; painting; employees' dwellings and other miscellaneous buildings used in connection with the gas producer plant and gas power pumping plant.

NOTE.—Permanent foundations are those designed as a part of the permanent construction of the building. The maintenance of foundations prepared separately for certain units of equipment will be charged under appropriate maintenance of equipment accounts.

NOTE.—If subdivisions are made as provided in Account "P19 Gas Power Pumping Plant Buildings, Fixtures and Grounds" corresponding subdivisions should be made of this account.

* See definition preceding Account "M7."

M87 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Gas Power Pumping—Maintenance," the distributed charges having been made to primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M88 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Gas Power Pumping—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

ADJUSTMENTS.

OM89 ADJUSTMENTS OF GAS POWER PUMPING EXPENSES.

Credit to this account the cost of gas sold to other municipal departments, public institutions, firms and individuals, as included in the preceding expense accounts of this division and charge to Account "RE206 Produced Gas Sold."

G. WATER PURCHASED.

OPERATION.

090 COMMERCIAL WATER PURCHASED FOR DISTRIBUTION.

Charge to this account the cost of all water purchased for the purpose of redistribution and sale. Include also "ready to serve" charges when incurred for the purpose of securing such service.

091 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Commercial Water Purchased," the distributed charges having been made to primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

092 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Commercial Water Purchased" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

H. SUPPLY TRANSMISSION AND STORAGE. OPERATION.

O93 SUPPLY TRANSMISSION AND STORAGE LABOR.

Charge to this account the wages of all employes operating supply transmission and storage properties. This includes the wages of patrolmen and inspectors and the wages of employes when engaged in clearing transmission trouble, protecting the property from forest fires and floods, and all other work in connection with supply transmission aqueducts, mains, reservoirs, etc., which is necessary to keep them in service and is not in the nature of repairs and renewals.

O94 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the supply transmission and storage system. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed directly chargeable to expenses of the supply transmission and storage system.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the supply transmission and storage system.

O95 SUPPLIES AND EXPENSES.

Charge to this account the cost of all operating supplies consumed and all expenses incurred in the operation of the supply transmission and storage system not properly chargeable to other accounts.

Charge also to this account supply transmission telephone rentals and the proportion of stable and vehicle expense chargeable to the supply transmission and storage system which is not directly chargeable to other supply transmission and storage system expense accounts.

O96 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Supply Transmission and Storage—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O97 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Supply Transmission and Storage—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

M98 RIGHT OF WAY, PATROL ROADS AND BRIDGES.

Charge to this account the cost of repairing and renewing patrol roads, bridges, fences, gates, etc., along the right of way; also the cost of clearing trees, brush, etc., along the line of the supply transmission aqueducts and mains.

M99 SUPPLY TRANSMISSION AQUEDUCTS AND MAINS.

Charge to this account the cost of repairing and renewing supply transmission aqueducts and mains located between the source of supply and collecting system and the distribution system.

M100 SUPPLY RESERVOIRS AND STANDPIPES.

Charge to this account the cost of repairing and renewing supply reservoirs, standpipes, tanks and accessory equipment.

M101 TELEPHONE SYSTEM.

Charge to this account the cost of repairing and renewing telephone equipment and telephone lines used for the operation of the supply transmission and storage system. This includes the cost of repair parts for telephones, telephone switchboards, poles, crossarms, insulators and wire.

M102 MISCELLANEOUS SUPPLY TRANSMISSION AND STORAGE EQUIPMENT.

Charge to this account the cost of repairing and renewing all miscellaneous equipment used in the supply transmission and storage system not included in any of the preceding accounts.

M103 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing supply transmission and storage buildings and fixtures and maintaining grounds.

M104 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Supply Transmission and Storage—Maintenance," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M105 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Supply Transmission and Storage—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

* See definition preceding Account "M7."

II. DISTRIBUTION.

OPERATION.

NOTE.—Utilities desiring to keep separate the cost of operating Commercial and Municipal Distribution Systems may subdivide the following Operating Accounts for this purpose.

O106 SUPERINTENDENCE.

Charge to this account the salaries and expenses of the superintendent and general foremen of the distribution system. This includes also the salaries and expenses of draftsmen and all clerical help upon records and accounts and cost of office supplies consumed directly chargeable to the distribution system.

Charge also to this account the proportion of the salaries and expenses of the engineering staff assignable to the distribution system.

O107 RESERVOIRS, TANKS AND STANDPIPES.

Charge to this account the cost of patrolling and inspecting distribution reservoirs, tanks and standpipes, and all work in connection with the operation of distribution reservoirs, tanks and standpipes which is necessary to keep them in service and is not in the nature of repairs or renewals.

O108 MAINS AND HYDRANTS.

Charge to this account the cost of patrolling, inspecting, testing, and flushing distribution mains and hydrants, locating and clearing distribution trouble, pumping out hydrants, testing pressure, and all work in connection with the operation of distribution mains and hydrants which is necessary to keep them in service and is not in the nature of repairs or renewals.

O109 SERVICES.

Charge to this account the cost of inspecting and testing services, and all wages and expenses in connection with locating and clearing trouble, including thawing, cleaning and pumping out services which is necessary to keep them in service and is not in the nature of repairs or renewals.

O110 REMOVING AND RESETTING METERS.

Charge to this account the cost of removing and resetting meters for consumers' services.

O111 INSPECTING AND TESTING METERS.

Charge to this account the cost of inspecting and testing meters in service and meters in the meter department.

O112 METER DEPARTMENT SUPPLIES AND EXPENSES.

Charge to this account the cost of supplies consumed and expenses incurred in the operation of the meter department. Exclude maintenance supplies and expenses.

O113 CONSUMERS' PREMISES.

Charge to this account the labor and expense incurred in attending trouble calls, changing, adjusting and repairing consumers' service piping and fittings, for which no charge is made to the consumer.

O114 MISCELLANEOUS SUPPLIES AND EXPENSES.

Charge to this account the cost of all operating supplies consumed and all expenses incurred in the distribution system not chargeable to other accounts.

Charge also to this account the distribution system telephone rentals and the proportion of stable and vehicle expense chargeable to the distribution system, which are not directly chargeable to other distribution system expense accounts.

O115 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Distribution—Operation," the distributed charges having been made to the primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

O116 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Distribution—Operation" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

MAINTENANCE.*

NOTE.—Utilities desiring to keep separate the costs of repairing and renewing Commercial and Municipal Distribution Systems may subdivide the following Maintenance Accounts for this purpose.

M117 RESERVOIRS, TANKS AND STANDPIPES.

Charge to this account the cost of repairing and renewing distribution reservoirs, tanks and standpipes and their accessory equipment, including repairs to masonry and linings of reservoirs, repainting and calking standpipes and tanks, replacing defective hoops and parts and repairs to valves and other auxiliary equipment.

M118 MAINS.

Charge to this account the cost of repairing and renewing distribution mains, including the cost of trenching, filling and restoring streets and alleys and their improvements to their former condition.

M119 HYDRANTS.

Charge to this account the cost of repairing and renewing hydrants and connections in the distribution system. This includes the cost of repairing and renewing parts and repainting hydrants and the cost of trenching, filling and restoring streets and street improvements to their former condition.

M120 SERVICES.

Charge to this account the cost of repairing and renewing services in or leading to consumers' premises, when the cost of such services is included in Account "P42." This includes the cost of repairing leaks, repairing and renewing service pipe connections to meters, stop cocks and service boxes; and the cost of trenching, filling and restoring streets and alleys and their improvements to their former condition.

M121 METERS.

Charge to this account the cost of repairing and renewing service meters. This includes the cost of repairing and renewing parts, cleaning and repainting old meters, testing meters for repairs, etc.; and the proportion of meter repair shop supplies and expenses chargeable to this work.

M122 TELEPHONE SYSTEM.

Charge to this account the cost of repairing and renewing telephone equipment and telephone lines used for the operation of the distribution system. This includes the cost of repair parts for telephones, telephone switchboards, poles, cross arms, insulators and wire.

* See definition preceding Account "M7."

M123 FIRE CISTERNS AND BASINS.

Charge to this account the cost of repairing fire cisterns and basins in the distribution system. This includes repairing and renewing masonry and linings, piping and fittings and renewing worn parts; and the cost of excavating, trenching, filling and restoring streets and street improvements to their former condition.

M124 FOUNTAINS AND TROUGHS.

Charge to this account the cost of repairing and renewing fountains and troughs in the distribution system. This includes repairing and renewing foundations, settings, connections and parts; repainting; and the cost of excavating, trenching, filling and restoring streets and street improvements to their former condition.

M125 MISCELLANEOUS EQUIPMENT.

Charge to this account the cost of repairing and renewing all miscellaneous equipment used exclusively in the distribution system which is not provided for in other accounts of this division.

M126 BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of repairing and renewing distribution system buildings and fixtures and maintaining grounds.

M127 OTHER OPERATIONS—DR.

Charge to this account the proportion of operating expenses chargeable to "Distribution—Maintenance," the distributed charges having been made to primary accounts of other co-ordinate departments, such as railway, gas or electric within the same utility.

M128 OTHER OPERATIONS—CR.

Credit to this account the proportion of the cost of "Distribution—Maintenance" chargeable to other co-ordinate departments, such as railway, gas or electric within the same utility.

III. COMMERCIAL.

OFFICE SALARIES AND EXPENSES.

C129 CONTRACTS.

Charge to this account salaries and expenses incurred in connection with applications and contracts for service, and attention to bill questions.

C130 METER READING AND SERVICE INSPECTION.

Charge to this account salaries and expenses incurred in reading meters and inspecting for the purpose of securing data relative to charges for service.

C131 ACCOUNTING.

Charge to this account salaries and expenses incurred and cost of supplies consumed in keeping consumers' accounts, rendering consumers' bills, and other accounting of commercial business.

C132 COLLECTING.

Charge to this account salaries and expenses incurred in the collection of consumers' accounts, including salaries of cashiers, collectors and clerks; and cost of postage and stationery used, collectors' expenses, etc.

Charge also to this account fees and commissions allowed for collection of consumers' accounts.

C133 OTHER COMMERCIAL OFFICE SALARIES AND EXPENSES.

Charge to this account commercial office salaries and expenses, and cost of supplies consumed, which are not chargeable to the other accounts of this division.

NEW BUSINESS SALARIES AND EXPENSES.

C134 ADVERTISING AND SOLICITING.

Charge to this account the cost of all advertising and soliciting, including the salaries and expenses of solicitors, except the proportion chargeable to consumers' bill questions; also all commissions paid for securing new business, preparing estimates, engineering advice, etc.

C135 OTHER NEW BUSINESS SALARIES AND EXPENSES.

Charge to this account commercial new business salaries and expenses, and cost of supplies consumed, which are not chargeable to other accounts of this division.

MAINTENANCE.

C136 MAINTENANCE OF COMMERCIAL OFFICE EQUIPMENT.

Charge to this account the cost of repairs to office equipment used exclusively in the Commercial Department.

IV. GENERAL.

OFFICE.

G137 SALARIES AND EXPENSES OF GENERAL OFFICERS.

Charge to this account the salaries and expenses applicable to the accounting utility, incurred by executives whose jurisdiction extends to the entire system, which are not properly chargeable to other accounts.

G138 SALARIES AND EXPENSES OF GENERAL OFFICE CLERKS.

Charge to this account the salaries and expenses of all employes in the general office, which are not properly chargeable to other accounts.

G139 PRINTING, STATIONERY AND OFFICE SUPPLIES— GENERAL.

Charge to this account the cost of all printing, stationery and office supplies used in the general office not properly chargeable to other accounts.

G140 GENERAL OFFICE EXPENSE.

Charge to this account all sundry expenses incurred in the general office.

Principal Items. Postage (except postage charged to commercial expense); rental of postoffice and safe deposit boxes; telephone rentals and expenses incident to general office telephone service; telegrams; wages and supplies of janitors, elevator men and watchmen employed in general and branch offices.

G141 GENERAL OFFICE RENT.

Charge to this account the rental paid for general and branch offices.

G142 MAINTENANCE OF GENERAL OFFICE BUILDINGS, FIX- TURES AND GROUNDS.

Charge to this account the cost of labor and material incurred in the repair of general and branch office buildings, fixtures and grounds, including elevators with control and operating apparatus, vaults, heating and ventilating apparatus, lighting fixtures, fire protection system; appurtenant grounds, streets, sidewalks, etc.

G143 MAINTENANCE OF GENERAL OFFICE EQUIPMENT.

Charge to this account the cost of all repairs to general office equipment. Exclude the cost of repairs to office equipment used exclusively by the Commercial Department.

MISCELLANEOUS.

G144 INSURANCE.

Charge to this account all premiums paid for fire, boiler, casualty, industrial, fidelity, automobile and other insurance not chargeable to other accounts.

G145 STORE EXPENSES.

Charge to this account the proportion of salaries and expenses, including stationery, of storekeepers and their assistants and clerks not chargeable specifically to Capital or other Expense Accounts.

Charge also to this account the cost of freight, transfer, storage, etc., when not practicable to include as a part of the unit costs of materials and supplies.

Charge also to this account rentals of storeroom buildings; repairing and renewing storeroom buildings, fixtures and equipment, and maintaining grounds.

G146 LAW EXPENSE—GENERAL.

Charge to this account all law expenses except those incurred in the defense and settlement of damage claims. This includes salaries and expenses of counsel and attorneys, their clerks and attendants; rentals and expenses of their offices; printing briefs, legal forms, testimony reports, etc., fees and retainers for services of attorneys not regular employees; court costs and payment of special notarial and witness fees not provided for elsewhere; expenses in connection with taking depositions; legal advertising and all law and court expenses not elsewhere provided for.

G147 INJURIES AND DAMAGES.

Charge to this account all expenses incurred on account of persons killed or injured and property damaged in connection with the operation of the utility.

Principal Items. Salaries and expenses of Claim Agent, investigators, adjusters and others engaged in the investigation of accidents and the adjustment of claims; salaries, fees and expenses of attorneys and their clerks and attendants engaged in investigation, adjustment or defense of claims for death or injuries of persons, or damage to property, including court costs, witness fees and all legal expense, including advertising incident to claims; salaries, fees and expenses of surgeons, hospital services, medical and surgical supplies, expenses of coroners and undertakers; and all amounts paid in settlement of claims for death or injuries of persons, or damage to property.

G148 MISCELLANEOUS GENERAL EXPENSE.

Charge to this account any expense general to the business and not chargeable specifically to other general expense accounts.

G149 MAINTENANCE OF OTHER BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of labor required and material used in the repair of buildings, fixtures and grounds which is not chargeable to other accounts.

Maintenance of buildings, fixtures and grounds of general shops, and utility equipment, and buildings, fixtures and grounds rented by the utility to others, will be charged to appropriate accounts of the "Miscellaneous Revenue and Expense Division," as provided.

G150 MAINTENANCE OF MISCELLANEOUS EQUIPMENT.

Charge to this account the cost of labor required and material used in the repair of miscellaneous equipment included in Account "P49 Miscellaneous Equipment," except where such maintenance may be directly charged to other appropriate expense accounts.

Maintenance of equipment of general shops will be included in Account "RE202 General Shops," and maintenance of utility equipment will be included in Account "RE203 Utility Equipment," as provided.

V. DEPRECIATION AND AMORTIZATION.

DA151 DEPRECIATION OF TANGIBLE FIXED CAPITAL.

This account will include the accrued losses by depreciation, as follows:

(1) Losses by current deterioration in value of tangible fixed capital resulting from wear and tear not covered by current maintenance charges.

(2) Losses by obsolescence or inadequacy resulting from age, physical change, or supersession by reason of new inventions and methods and changes in demand or requirement.

(3) Losses by destruction of property resulting from extraordinary casualties.

Charge to this account and credit to Account "L23 Reserve for Accrued Depreciation—Tangible Fixed Assets" each month such monthly proportional amount as will by its uniform application, during the period of the estimated serviceable life of the tangible fixed assets depreciated, produce a total amount equal to the known or estimated cost of such assets less salvage or scrap value. (The cost of current repairs and renewals shall not be included in depreciation charges.)

When any tangible fixed asset is retired from service the cost thereof charged to the asset account shall be credited to that account. The "Reserve" (Account "L23") shall be charged with that part of the cost of the asset retired which has been credited to it;—and "Materials and Supplies" (Account "A76") or appropriate subaccount thereof shall be charged with the known or estimated salvage or scrap value of the asset retired.

The differences between accounting values used and values determined upon retirement of tangible fixed assets from service or values fixed by sale are adjustable, as follows:

That proportion applicable to periods prior to the current annual period will be adjusted through Accounts "S23 Delayed Gains Accrued in Prior Periods" and "S24 Delayed Losses Accrued in Prior Periods," and that proportion applicable to the current annual period will be adjusted through this account.

NOTE.—As required above the cost of any tangible fixed asset retired from service shall be credited to the asset account; therefore, the cost of any tangible fixed asset replacing an asset retired shall be charged to the asset account. Analysis of the property and plant accounts when required by the Bureau of Inspection and Supervision of Public Offices, will include identification of property units in service.

DA152 AMORTIZATION OF INTANGIBLE FIXED CAPITAL.

Charge to this account and credit to Account "L24 Reserve for Accrued Amortization—Intangible Fixed Assets" each month the monthly proportion of annual charges determined or estimated to be sufficient to extinguish the cost value of intangible capital upon or before the expiration of useful life of such capital.

CLASSIFICATION OF MISCELLANEOUS REVENUES
AND EXPENSES FOR MUNICIPAL WATER
UTILITIES.

ALL CLASSES.

- RE201 Engineering.
- RE202 General Shops.
- RE203 Utility Equipment.
- RE204 Produced Steam Sold.
- RE205 Generated Electric Current Sold.
- RE206 Produced Gas Sold.
- RE207 Rental of Real Estate and Buildings.
- RE208 Interest on Departmental Current Fund Deposits.
- RE209 Other Miscellaneous Revenues and Expenses.

MISCELLANEOUS REVENUES AND EXPENSES.

RE201 ENGINEERING.

Charge to this account expenses incurred for engineering services and production of engineering maps and records. This includes such items as salaries of engineers, draftsmen, clerks and other employes required; incidental expenses and cost of supplies consumed.

Credit to this account items chargeable to other accounts, other municipal departments, taxing districts, firms and individuals for engineering services and records rendered.

RE202 GENERAL SHOPS.

Charge to this account the general expenses of operating General Shops and maintaining General Shop equipment, buildings and fixtures. Exclude the cost of labor and material directly chargeable to shop jobs, for which provision is made in Account "A86 General Shop Work in Progress."

When a general shop job is completed the cost thereof will be credited to Account "A86 General Shop Work in Progress." The amount of the charge therefor will be debited to the appropriate account. The amount of profit derived, if any, will be credited to this account, or the amount of loss, if any, will be debited to this account.

Utilities so desiring may subdivide this account for the purpose of keeping separate machine shop, blacksmith shop, carpenter shop, etc.

RE203 UTILITY EQUIPMENT.

Charge to this account the cost of operating utility equipment and maintaining utility equipment, buildings and fixtures.

Credit to this account all revenues derived from service rendered to other accounts, other municipal departments, firms and individuals.

Utilities desiring to keep separate accounts for motor, horse and other vehicles, may open sub-accounts for this purpose.

RE204 PRODUCED STEAM SOLD.

This account is provided for the revenues and expenses applying to the sale of steam produced, in connection with steam power pumping plants of the utility, to other municipal departments, public institutions, firms and individuals.

Charge to this account the cost of steam sold and credit Account "OM38 Adjustments of Steam Power Pumping Expenses."

Charge also to this account such other expenses as may be applicable.

Credit to this account all revenues derived from the sale of steam.

RE205 GENERATED ELECTRIC CURRENT SOLD.

This account is provided for the revenues and expenses applying to the sale of generated electric current, in connection with electric power pumping plants of the utility, to other municipal departments, public institutions, firms and individuals.

Charge to this account the cost of generated electric current sold and credit Account "OM70 Adjustments of Electric Power Pumping Expenses."

Charge also to this account such other expenses as may be applicable.

Credit to this account all revenues derived from the sale of generated electric current.

RE206 PRODUCED GAS SOLD.

This account is provided for the revenues and expenses applying to the sale of gas produced, in connection with gas power pumping plants of the utility, to other municipal departments, public institutions, firms and individuals.

Charge to this account the cost of gas sold and credit Account "OM89 Adjustments of Gas Power Pumping Expenses."

Charge also to this account such other expenses as may be applicable.

Credit to this account all revenues derived from the sale of produced gas.

RE207 RENTAL OF REAL ESTATE AND BUILDINGS.

Credit to this account monthly as they accrue all miscellaneous rent revenues as a return upon leased property other than water plant and equipment.

Charge to this account all expenses for the up-keep of and the insurance on the property so rented.

RE208 INTEREST ON DEPARTMENTAL CURRENT FUND DEPOSITS.

Credit to this account monthly all accruals of interest receivable on deposits of departmental current funds with banks, trust companies or others.

RE209—OTHER MISCELLANEOUS REVENUES AND EXPENSES.

Credit and charge to this account all miscellaneous revenues and expenses not provided for in any of the preceding accounts of this division.

CLASSIFICATION OF DEDUCTIONS FROM GROSS INCOME FOR MUNICIPAL WATER UTILITIES.

ALL CLASSES.

- D1 Interest on General Bonds Outstanding.
- D2 Interest on Revenue Bonds Outstanding.
- D3 Miscellaneous Interest.
- D4 Amortization of Discount on Funded Debt.
- D5 Amortization of Premium on Funded Debt—Credit.
- D6 Charges in Lieu of General Taxes and Assessments on Revenues.
- D7 Other Deductions from Gross Income.

DEDUCTIONS FROM GROSS INCOME.

D1 INTEREST ON GENERAL BONDS OUTSTANDING.

Charge to this account each month the monthly proportion of interest accrued on outstanding general bonds included in the liabilities of the accounting utility.

All amounts of exchange applying to payment of general bond interest shall be charged to Account "G148 Miscellaneous General Expense."

NOTE.—Interest applicable to special construction of plant shall not be charged to this account. See Account "P58 Special Construction Interest, Premium and Discount" where provision is made for such charges.

D2 INTEREST ON REVENUE BONDS OUTSTANDING.

Charge to this account each month the monthly proportion of interest accrued on outstanding revenue bonds.

All amounts of exchange applying to payment of revenue bond interest shall be charged to Account "G148 Miscellaneous General Expense."

NOTE.—Interest applicable to special construction of plant shall not be charged to this account. See Account "P58 Special Construction Interest, Premium and Discount" where provision is made for such charges.

D3 MISCELLANEOUS INTEREST.

Charge to this account each month the monthly proportion of interest accrued on outstanding warrants and other current liabilities.

Charge also to this account all interest on consumers' deposits when paid. This may be carried in a subaccount if desired.

NOTE.—Interest applicable to special construction of plant shall not be charged to this account. See Account "P58 Special Construction Interest, Premium and Discount" where provision is made for such charges.

D4 AMORTIZATION OF DISCOUNT ON FUNDED DEBT.

When discount may be legally allowed on bonds and other evidences of funded debt sold, charge to this account each month the whole or part of the monthly proportion of such discount extinguished which is applicable to the operation of property and plant, and credit to Account "A82 Unamortized Discount on Funded Debt." (See definition of latter account.)

NOTE.—Amortization of discount applicable to special construction of plant shall not be charged to this account. See Account "P58 Special Construction Interest, Premium and Discount" where provision is made for such charges.

D5 AMORTIZATION OF PREMIUM ON FUNDED DEBT—CREDIT.

Credit to this account each month the whole or the part of the monthly proportion of extinguished premium on funded debt applicable to operation of property and plant, and charge to Account "L22 Un-amortized Premium on Funded Debt." (See definition of latter account.)

NOTE.—Amortization of premium applicable to special construction of plant shall not be credited to this account. See Account "P58 Special Construction Interest, Premium and Discount" where provision is made for such credits.

D6 CHARGES IN LIEU OF GENERAL TAXES AND ASSESSMENTS ON REVENUES.

The properties and revenues of municipal utilities being exempt from general taxes and franchise assessments assessable to like utilities not municipally owned, this account is provided for use where charges are established in conformity with statute and ordinance in lieu of general taxes on property and assessments on revenues of municipal utilities in favor of the General Fund or Current Expense Fund of the City.

When such charges are made, charge to this account each month the amounts applicable thereto and credit to Account "L18 Accrued Charges in Lieu of General Taxes and Assessments on Revenues."

D7 OTHER DEDUCTIONS FROM GROSS INCOME.

Charge to this account deductions from gross income other than those provided for in the preceding accounts of this division.

CLASSIFICATION OF ANNUAL INCOME, PROFIT AND LOSS FOR MUNICIPAL WATER UTILITIES.

ALL CLASSES.

I. CURRENT ANNUAL INCOME.

- S11 Operating Revenues—Current Annual Period.
- S12 Operating Expenses—Current Annual Period.
- S13 Miscellaneous Revenues and Expenses—Current Annual Period.
- S14 Deductions from Gross Income—Current Annual Period.

II. PROFIT AND LOSS.

- S21 Gains Accrued (Other than Income)—Current Annual Period.
- S22 Losses Accrued (Other than Income)—Current Annual Period.
- S23 Delayed Gains Accrued in Prior Periods.
- S24 Delayed Losses Accrued in Prior Periods.
- S25 Unearned Decrease of Deficit or Increase of Surplus by Contributions and Donations.

III. APPROPRIATIONS OF CURRENT ANNUAL INCOME.

- S31 Appropriations of Income for Bond Sinking and Redemption Fund Reserves.
- S32 Appropriations of Income for Special Fund Reserves.
- S33 Appropriations of Income Not Specifically Invested.

IV. APPROPRIATIONS OF SURPLUS.

- S41 Appropriations of Surplus for Bond Sinking and Redemption Fund Reserves.
- S42 Appropriations of Surplus for Special Fund Reserves.
- S43 Appropriations of Surplus Not Specifically Invested.

V. DISPOSITION OF RESERVES.

- S51 Reserves Applied for Redemption of Funded Debt.
- S52 Reserves Applied for Other Purposes.
- S53 Reserves Abrogated.

VI. BALANCE.

- S60 Annual Income, Profit and Loss—Balance.

ANNUAL INCOME, PROFIT AND LOSS.

I. CURRENT ANNUAL INCOME.

S11 OPERATING REVENUES—CURRENT ANNUAL PERIOD.

Close into this account at the close of the current annual period all balances of accounts numbered R1 to R12, inclusive. The balance of this account will then be closed into Account "S60 Annual Income, Profit and Loss—Balance."

S12 OPERATING EXPENSES—CURRENT ANNUAL PERIOD.

Close into this account at the close of the current annual period all balances of accounts numbered O1 to DA152, inclusive. The Balance of this account will then be closed into Account "S60 Annual Income, Profit and Loss—Balance."

S13 MISCELLANEOUS REVENUES AND EXPENSES — CURRENT ANNUAL PERIOD.

Close into this account at the close of the current annual period all balances of accounts numbered RE201 to RE209, inclusive. The balance of this account will then be closed into Account "S60 Annual Income, Profit and Loss—Balance."

S14 DEDUCTIONS FROM GROSS INCOME—CURRENT ANNUAL PERIOD.

Close into this account at the close of the current annual period all balances of accounts numbered D1 to D7, inclusive. The balance of this account will then be closed into Account "S60 Annual Income, Profit and Loss—Balance."

II. PROFIT AND LOSS.

S21 GAINS ACCRUED (OTHER THAN INCOME)—CURRENT ANNUAL PERIOD.

Credit to this account all gains accrued during the current annual period representing increase of resources other than revenues included in the income accounts, and except unearned gains included in Account "S25 Unearned Decrease of Deficit or Increase of Surplus by Contributions and Donations."

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

S22 LOSSES ACCRUED (OTHER THAN INCOME)—CURRENT ANNUAL PERIOD.

Charge to this account all losses accrued during the current annual period not properly chargeable to the income accounts, as follows:

(a) Bad Debts Charged Off and Collected—Current Annual Period.

Charge to this subaccount all losses by bad debts accrued and charged off during the current annual period, when such losses have not been charged to the following subaccount (c).

Credit to this subaccount the amounts collected within the same annual period on account of losses charged herein.

(b) Other Losses Accrued—Current Annual Period.

Charge to this subaccount all losses not otherwise provided for which have accrued during the current annual period.

Credit to this subaccount the amounts recovered within the same annual period on account of losses charged herein.

(c) Estimated Losses Accrued—Current Annual Period.

Charge to this subaccount the amounts estimated to be sufficient to cover probable losses accrued during the current annual period, not otherwise provided for, and credit to Account "L26 Reserve for Losses by Bad Debts," or Account "L27 Other Reserves for Losses Not Recorded in Asset Accounts" as may be appropriate.

Credit to this subaccount the amounts recovered within the same annual period on account of losses charged herein and correspondingly charge the reserve accounts affected.

At the close of the current annual period close the balance of this account, embracing the balances of the subaccounts (a), (b) and (c), into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—Losses accrued in prior periods and recoveries thereon arising for disposition during the current annual period will be included in Accounts "S23" and "S24" as provided.

S23 DELAYED GAINS ACCRUED IN PRIOR PERIODS.

Credit to this account all gains accrued in periods prior to the current annual period arising for disposition and adjustment during the current annual period.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

S24 DELAYED LOSSES ACCRUED IN PRIOR PERIODS.

Charge to this account all losses accrued in periods prior to the current annual period arising for disposition and adjustment during the current annual period.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

UNEARNED GAIN.

S25 UNEARNED DECREASE OF DEFICIT OR INCREASE OF SURPLUS BY CONTRIBUTIONS AND DONATIONS.

Credit to this account all amounts acceptable by law, when received or receivable by contribution or donation, effecting a decrease of deficit or an increase of surplus without liability for reimbursement on the part of the utility.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—If the non-liability for reimbursement by the utility is not clearly established when such tenders are made their final disposition shall be considered as undetermined and they shall be included in Account "L29 Other Unadjusted Credits."

III. APPROPRIATIONS OF CURRENT ANNUAL INCOME.

S31 APPROPRIATIONS OF INCOME FOR BOND SINKING AND REDEMPTION FUND RESERVES.

Charge to this account and credit to Account "L32 Bond Sinking and Redemption Fund Reserves" each month the accrued monthly proportion of all appropriations of current annual income for bond sinking and redemption fund reserves. This includes accruals of appropriations contractually required and accruals of appropriations made voluntarily.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—The total amount of appropriation charges to this account together with those included in Accounts "S32" and "S33" shall not exceed the total amount of the net income of the current annual period. Appropriations of gain and surplus made in excess of the total amount of the net income of the current annual period shall be appropriately charged to Accounts "S41," "S42" and "S43."

S32 APPROPRIATIONS OF INCOME FOR SPECIAL FUND RESERVES.

Charge to this account and credit to Account "L33 Special Fund Reserves" each month the accrued monthly proportion of all appropriations of current annual income for special fund reserves.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—The total amount of appropriation charges to this account together with those included in Accounts "S31" and "S33" shall not exceed the total amount of the net income of the current annual period. Appropriations of gain and surplus made in excess of the total amount of the net income of the current annual period shall be appropriately charged to Accounts "S41," "S42" and "S43."

S33 APPROPRIATIONS OF INCOME NOT SPECIFICALLY INVESTED.

Charge to this account and credit to Account "L34 Reserves Not Specifically Invested" each month the accrued monthly proportion of all appropriations of current annual income made for reserves for definite purposes but for which no specific investment or segregation of funds has been made.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—The total amount of appropriation charges to this account together with those included in Accounts "S31" and "S32" shall not exceed the total amount of the net income of the current annual period. Appropriations of gain and surplus made in excess of the total amount of the net income of the current annual period shall be appropriately charged to Accounts "S41," "S42" and "S43."

IV. APPROPRIATIONS OF SURPLUS.

S41 APPROPRIATIONS OF SURPLUS FOR BOND SINKING AND REDEMPTION FUND RESERVES.

Charge to this account and credit to Account "L32 Bond Sinking and Redemption Fund Reserves" each month the accrued monthly proportion of all appropriations of gain and surplus not included in the income of the current annual period and made for bond sinking and redemption fund reserves. This includes accruals of appropriations contractually required and accruals of appropriations made voluntarily.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—Before making entries to this account see definitions and notations provided for Accounts "S31," "S32" and "S33."

S42 APPROPRIATIONS OF SURPLUS FOR SPECIAL FUND RESERVES.

Charge to this account and credit to Account "L33 Special Fund Reserves" each month the accrued monthly proportion of all appropriations of gain and surplus not included in the income of the current annual period and made for special fund reserves.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—Before making entries to this account see definitions and notations provided for Accounts "S31," "S32" and "S33."

S43 APPROPRIATIONS OF SURPLUS NOT SPECIFICALLY INVESTED.

Charge to this account and credit to Account "L34 Reserves Not Specifically Invested" each month the accrued monthly proportion of all appropriations of gain and surplus not included in the income of the current annual period and made for reserves for definite purposes but for which no specific investment or segregation of funds has been made.

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

NOTE.—Before making entries to this account see definitions and notations provided for Accounts "S31," "S32" and "S33."

V. DISPOSITION OF RESERVES.

S51 RESERVES APPLIED FOR REDEMPTION OF FUNDED DEBT.

Credit to this account all amounts of reserves applied for redemption of funded debt which have been correspondingly charged to Account "L32 Bond Sinking and Redemption Fund Reserves."

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

S52 RESERVES APPLIED FOR OTHER PURPOSES.

Credit to this account all amounts of reserves applied for purposes of special fund reserves which have been correspondingly charged to Accounts "L33 Special Fund Reserves" and "L34 Reserves Not Specifically Invested."

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

S53 RESERVES ABROGATED.

Credit to this account the amounts of reserves abrogated which have been correspondingly charged to Accounts "L32 Bond Sinking and Redemption Fund Reserves," "L33 Special Fund Reserves" and "L34 Reserves not Specifically Invested."

At the close of the current annual period close the balance of this account into Account "S60 Annual Income, Profit and Loss—Balance."

VI. BALANCE.

S60 ANNUAL INCOME, PROFIT AND LOSS—BALANCE.

At the close of the current annual period this account shall include the balances of the following accounts in the order designated.

- S11 Operating Revenues—Current Annual Period.
- S12 Operating Expenses—Current Annual Period.
- S13 Miscellaneous Revenues and Expenses—Current Annual Period.
- S14 Deductions from Gross Income—Current Annual Period.
- S21 Gains Accrued (Other than Income)—Current Annual Period.
- S22 Losses Accrued (Other than Income)—Current Annual Period.
- S23 Delayed Gains Accrued in Prior Periods.
- S24 Delayed Losses Accrued in Prior Periods.
- S25 Unearned Decrease of Deficit or Increase of Surplus by Contributions and Donations.
- S31 Appropriations of Income for Bond Sinking and Redemption Fund Reserves.
- S32 Appropriations of Income for Special Fund Reserves.
- S33 Appropriations of Income Not Specifically Invested.
- S41 Appropriations of Surplus for Bond Sinking and Redemption Fund Reserves.
- S42 Appropriations of Surplus for Special Fund Reserves.
- S43 Appropriations of Surplus Not Specifically Invested.
- S51 Reserves Applied for Redemption of Funded Debt.
- S52 Reserves Applied for Other Purposes.
- S53 Reserves Abrogated.

The entries as indicated will produce consecutive balances in this account, as follows:

<i>Account</i>	<i>Debit Balance</i>	<i>Credit Balance</i>
"S11" and "S12" .. "Operating Loss."		"Operating Income."
"S13" "Revenue Loss."		"Gross Income."
"S14" "Income Deficit."		"Net Income."
"S21" and "S22" .. "Income, Profit and Loss Deficit—Current Annual Period."		"Income, Profit and Loss Ac- crued—Current Annual Pe- riod."
"S23" and "S24"		"Income, Profit and Loss Earned."
"S25" "Income, Profit and Loss Deficit."		"Income, Profit and Loss Total."
"S31-32-33," "S41-42-43," "S51-52-53"	"Annual Income, Profit and Loss—Balance."	"Annual Income, Profit and Loss—Balance."

At the close of each current annual period the **final balance** of this account shall be closed, and as indicated by the total net credit amount or the total net debit amount of the **final balance** of this account, together with the balances appearing in the Surplus Accounts "L32," "L33," "L34" and "L35," or the **final balance** of this account, together with the balance appearing in Account "A89 Deficit," as the case may be, the **final balance** of this account shall be transferred to Account "L35 Surplus Not Specifically Reserved," or to Account "A89 Deficit," or to each of them according to the requirements for the appropriate disposition of the **final balance** in relation to "Surplus" and "Deficit."

NOTE.—Current entries shall not be made to this account.

CLASSIFICATION OF BALANCE SHEET ACCOUNTS FOR MUNICIPAL WATER UTILITIES.

ALL CLASSES.

FIXED ASSETS.

A. INTANGIBLE CAPITAL.

- P1 Organization.
- P2 Water Rights.
- P3 Other Intangible Capital.

B. TANGIBLE CAPITAL.

I. LANDS USED IN OPERATION OF PROPERTY.

- P4 Source of Water Supply and Collecting System Land.
- P5 Purification System Land.
- P6 Pumping Station Land.
- P7 Supply Transmission and Storage System Land.
- P8 Distribution System Land.
- P9 Stores Department Land.
- P10 Utility Equipment Land.
- P11 General Office Land.
- P12 Other Lands Devoted to Operation.

II. BUILDINGS, FIXTURES AND GROUNDS USED IN OPERATION OF PROPERTY.

- P13 Source of Water Supply and Collecting System Buildings, Fixtures and Grounds.
- P14 Purification System Buildings, Fixtures and Grounds.
- P15 Steam Power Pumping Plant Buildings, Fixtures and Grounds.
- P16 Hydraulic Power Pumping Plant Buildings, Fixtures and Grounds.
- P17 Electric Generation, Transmission and Transformation Plant Buildings, Fixtures and Grounds.
- P18 Electric Power Pumping Plant Buildings, Fixtures and Grounds.
- P19 Gas Power Pumping Plant Buildings, Fixtures and Grounds.
- P20 Supply Transmission and Storage System Buildings, Fixtures and Grounds.
- P21 Distribution Reservoir, Tank and Standpipe Buildings, Fixtures and Grounds.
- P22 Other Distribution System Buildings, Fixtures and Grounds.
- P23 Stores Department Buildings, Fixtures and Grounds.
- P24 Utility Equipment Buildings, Fixtures and Grounds.
- P25 General Office Buildings, Fixtures and Grounds.
- P26 Other Buildings, Fixtures and Grounds Devoted to Operation.

III. EQUIPMENT.

- P27 Source of Water Supply and Collecting System Equipment.
- P28 Purification System Equipment.
- P29 Boiler Plant Equipment.
- P30 Steam Power Pumping Plant Equipment.
- P31 Hydraulic Power Pumping Plant Equipment.
- P32 Electric Generation, Transmission and Transformation Equipment.
- P33 Electric Power Pumping Plant Equipment.
- P34 Gas Producer Plant Equipment.
- P35 Gas Power Pumping Plant Equipment.
- P36 Supply Transmission Aqueducts and Mains.
- P37 Supply Transmission Reservoirs, Tanks and Standpipes.
- P38 Supply Transmission Telephone Lines and Equipment.
- P39 Distribution Reservoirs, Tanks and Standpipes.
- P40 Distribution Mains.
- P41 Hydrants.
- P42 Services.
- P43 Meters.
- P44 Fire Cisterns, Basins, Fountains and Troughs.
- P45 Distribution Telephone Lines and Equipment.
- P46 Stores Department Equipment.
- P47 General Shop Equipment.
- P48 Utility Equipment.
- P49 Miscellaneous Equipment.
- P50 Office Equipment.
- P51 Boarding House and Employes' Dwelling House Furnishings.

C. UNDISTRIBUTED CAPITAL.

I. SPECIAL CONSTRUCTION EXPENDITURES.

- P52 Operations Preliminary to Special Construction.
- P53 Special Construction Engineering and Superintendence.
- P54 Use of Special Construction Work Equipment.
- P55 Special Construction Law Expense.
- P56 Special Construction Injuries and Damages.
- P57 Special Construction Insurance.
- P58 Special Construction Interest, Premium and Discount.
- P59 Special Construction Miscellaneous Expenditures.
- P60 Special Construction of Plant.
- P61 Special Construction Work Equipment.
- P62 Special Construction Materials and Supplies.

II. UNDISTRIBUTED FIXED CAPITAL.

- P63 Undistributed Fixed Capital as of December 31, 1915.
- P64 Undistributed Cost of Property and Plant Purchased Subsequent to December 31, 1915.

INVESTMENTS.

A65 Investments.

SINKING, REDEMPTION AND SPECIAL FUND ASSETS.

A66 Bond Sinking and Redemption Funds—Cash.
A67 Special Funds—Cash.
A68 Bond Sinking and Redemption Funds—Investments.
A69 Special Funds—Investments and Loans.

CURRENT ASSETS.

A70 Current Fund Cash.
A71 Construction Fund Cash.
A72 Special Deposits.
A73 Bond Interest and Redemption Deposits.
A74 Fund Transfer Loans Receivable.
A75 Accounts Receivable.
A76 Materials and Supplies.
A77 Interest Receivable.
A78 Rents Receivable.
A79 Other Current Assets.

DEFERRED ASSETS.

A80 Working Fund Advances.
A81 Other Deferred Assets.

UNADJUSTED DEBITS.

A82 Unamortized Discount on Funded Debt.
A83 Prepaid Insurance.
A84 Prepaid Rents.
A85 Other Prepaid Accounts.
A86 General Shop Work in Progress.
A87 Miscellaneous Work in Progress.
A88 Other Unadjusted Debits.

DEFICIT.

A89 Deficit.

CAPITAL LIABILITIES.

L1 General Bonds Outstanding.
L2 Revenue Bonds Outstanding.
L3 Other Capital Liabilities.

CURRENT LIABILITIES.

- L4 Current Fund Warrants Outstanding.
- L5 Construction Fund Warrants Outstanding.
- L6 Other Funds Warrants Outstanding.
- L7 Fund Transfer Loans Payable.
- L8 Accounts Payable.
- L9 Amounts Payable Not Retained on Contractors' Estimates.
- L10 Matured Interest on Funded Debt.
- L11 Matured Miscellaneous Interest.
- L12 Unmatured Interest Accrued on Funded Debt.
- L13 Unmatured Miscellaneous Interest Accrued.
- L14 Consumers' Deposits.
- L15 Other Current Liabilities.

SPECIAL MUNICIPAL LIABILITIES.

- L16 General Tax Revenues Applied to Bond Interest.
- L17 General Tax Revenues Applied to Bond Sinking and Redemption Funds.
- L18 Accrued Charges in Lieu of General Taxes and Assessments on Revenues.

DEFERRED LIABILITIES.

- L19 Amounts Retained on Contractors' Estimates.
- L20 Special Deposits.
- L21 Other Deferred Liabilities.

UNADJUSTED CREDITS.

- L22 Unamortized Premium on Funded Debt.
- L23 Reserve for Accrued Depreciation—Tangible Fixed Assets.
- L24 Reserve for Accrued Amortization—Intangible Fixed Assets.
- L25 Reserve for Accrued Depreciation—Property Held as a Non-operating Investment.
- L26 Reserve for Losses by Bad Debts.
- L27 Other Reserves for Losses Not Recorded in Asset Accounts.
- L28 Plant Construction by Local Improvement Districts.
- L29 Other Unadjusted Credits.

SURPLUS.

- L32 Bond Sinking and Redemption Fund Reserves.
- L33 Special Fund Reserves.
- L34 Reserves Not Specifically Invested.
- L35 Surplus Not Specifically Reserved.

BALANCE SHEET ACCOUNTS.

FIXED ASSETS.

A. INTANGIBLE CAPITAL.

P1 ORGANIZATION.

Charge to this account all fees paid and expenditures incident to organizing the water utility.

Discount on funded debt shall not be charged to this account. See definition of Account "A82 Unamortized Discount on Funded Debt."

P2 WATER RIGHTS.

Charge to this account the cost of all water rights having a life of more than one year from the date when they become effective for service in the operations of the utility.

Such rights include the right to take water, and also the rights of flowage and submersion. Mere licenses revocable at the will of the grantor or upon notice of one year or less shall not be charged to this account, but to Account "O4 Supplies and Expenses."

P3 OTHER INTANGIBLE CAPITAL.

Charge to this account the cost of all other intangible property not included in the preceding accounts, including easements, rights of way and licenses having a life of more than one year.

B. TANGIBLE CAPITAL.

I. LANDS USED IN OPERATION OF PROPERTY.

Accounts shall be opened as indicated below, to which shall be charged the cost of all land used and useful in the operation of the water utility, whose term of enjoyment is over one year from the grant thereof. The cost of land shall include the purchase price, the cost of registration of title, cost of examination of title, surveyors' and notaries' fees, purchasing agents' commissions, the fees and taxes accrued to date of transfer of title, and all liens upon title acquired; also the cost of obtaining consents and payments for abutting property damages, and all legal and other expenses in connection with condemnation proceedings. The cost of any buildings, fixtures and improvements made to the land purchased, must not be charged to these accounts. If at the time of acquisition of any interest in land it extends to buildings, or other improvements thereon, which improvements are devoted by the water utility to its water service, and the contract of acquisition does not determine the price of such buildings or improvements, the estimated cost of such buildings or improvements shall be charged to the appropriate Buildings, Fixtures and Grounds Account, and excluded from the Land Account. If such improvements are not devoted to water operations, but are held as investment, the estimated cost of such improvements shall be charged to an appropriate Investment Account.

P4 SOURCE OF WATER SUPPLY AND COLLECTING SYSTEM LAND.

Charge to this account the cost of all land as above defined, used and useful in connection with the source of water supply and collecting system.

P5 PURIFICATION SYSTEM LAND.

Charge to this account the cost of all land as above defined, occupied by purification system, together with all land used and useful in connection with the purification system.

P6 PUMPING STATION LAND.

Charge to this account the cost of all land as above defined, occupied by pumping station buildings, together with all land used and useful in connection with the pumping station.

P7 SUPPLY TRANSMISSION AND STORAGE SYSTEM LAND.

Charge to this account the cost of all lands as above defined used and useful in connection with the supply transmission and storage system.

P8 DISTRIBUTION SYSTEM LAND.

Charge to this account the cost of all lands as above defined, used and useful in connection with the distribution system.

P9 STORES DEPARTMENT LAND.

Charge to this account the cost of all land as above defined, occupied by stores buildings and structures or used as stores yards.

P10 UTILITY EQUIPMENT LAND.

Charge to this account the cost of all lands as above defined occupied exclusively by barn, stable, automobile, vehicle and other utility equipment storage structures and land appurtenant thereto.

P11 GENERAL OFFICE LAND.

Charge to this account the cost of land as above defined occupied by general and branch office buildings.

P12 OTHER LANDS DEVOTED TO OPERATION.

Charge to this account the cost of all land as above defined not included in the preceding accounts.

II. BUILDINGS, FIXTURES AND GROUNDS USED IN OPERATION OF PROPERTY.

Accounts shall be opened as indicated below to which shall be charged the cost of all buildings, structures and improvements on the lands used and useful in the furnishing of water service. This will include all fixtures attached to such buildings and a permanent part thereof, together with fences, walks, drives, grading and improvement of grounds. (The word "grounds" signifies improvements to land, such as fences, walks, parking, etc.)

Machinery foundations and settings, if designed as a part of the permanent construction of buildings shall be charged to the appropriate Buildings, Fixtures and Grounds Account. If, however, such foundations and settings are prepared separately for certain units of equipment, their cost will be charged to the appropriate equipment account.

P13 SOURCE OF WATER SUPPLY AND COLLECTING SYSTEM BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in connection with the source of water supply and collecting system, such as gate and valve houses, recording stations, etc., appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged as watchmen, patrolmen, gate tenders, etc.

P14 PURIFICATION SYSTEM BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in the purification of water, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

P15 STEAM POWER PUMPING PLANT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in connection with the pumping of water by steam power, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged in steam power pumping.

P16 HYDRAULIC POWER PUMPING PLANT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in connection with the pumping of water by hydraulic power, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged in hydraulic power pumping.

P17 ELECTRIC GENERATION, TRANSMISSION AND TRANSFORMATION PLANT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds operated by the accounting utility in connection with the generation, transmission and transformation of electric energy for the purpose of pumping water by electric power, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged in the generation of electric energy for electric power pumping.

P18 ELECTRIC POWER PUMPING PLANT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds, except those provided for in the preceding account, used in connection with the pumping of water by electric power, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged in electric power pumping.

P19 GAS POWER PUMPING PLANT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in connection with the pumping of water by gas power, including gas producer plant and gas power pumping plant buildings and structures, together with permanent foundations for machinery and apparatus, appurtenant walks, fences, drives and all fixtures permanently attached thereto and a part thereof.

Charge also to this account the cost of dwellings for employes engaged in gas production and gas power pumping.

NOTE.—Utilities desiring to keep separate the cost of gas producer plant and gas power pumping plant buildings, fixtures and grounds, may open subaccounts for this purpose.

P20 SUPPLY TRANSMISSION AND STORAGE SYSTEM BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in connection with the supply transmission and storage system.

P21 DISTRIBUTION RESERVOIR, TANK AND STANDPIPE BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds used in connection with distribution reservoirs, tanks, standpipes and water towers, including the appurtenant fences, drives, etc.

P22 OTHER DISTRIBUTION SYSTEM BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds, other than those provided for in the preceding account, devoted to the distribution of water from the supply transmission and storage system to the consumers' meters or connections, together with all appurtenant walks, fences, drives, etc.

P23 STORES DEPARTMENT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings and structures of the water utility used for stores purposes, such as coal and other fuel storage sheds, pipe and fittings buildings, together with all appurtenant walks, fences, drives, tramways, etc.

P24 UTILITY EQUIPMENT BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds devoted exclusively to stable, barn, garage or other utility equipment purposes, appurtenant walks, fences, drives and all fixtures permanently attached to such structures and made a part thereof.

P25 GENERAL OFFICE BUILDINGS, FIXTURES AND GROUNDS.

Charge to this account the cost of all buildings, fixtures and grounds devoted to general and branch office purposes, appurtenant walks, fences, drives and all fixtures permanently attached to such structures and made a part thereof.

P26 OTHER BUILDINGS, FIXTURES AND GROUNDS DEVOTED TO OPERATION.

Charge to this account the cost of all buildings, fixtures and grounds devoted to operation not included in any of the preceding departmental Buildings, Fixtures and Grounds Accounts.

III. EQUIPMENT.

P27 SOURCE OF WATER SUPPLY AND COLLECTING SYSTEM EQUIPMENT.

Charge to this account the cost of all source of water supply and collecting system equipment. This includes impounding reservoirs, artificial lakes and ponds, works for utilizing the flow from springs, impounding embankments, channels, collecting flumes, waste weirs, gates, valves, gate structures, etc.

P28 PURIFICATION SYSTEM EQUIPMENT.

Charge to this account the cost of all apparatus and equipment used for purification of water, including settling basins, filter beds, mechanical filters and all auxiliary apparatus for purifying water, whether by plain sedimentation, sedimentation with coagulation, or chemical treatment for softening and removal of organic or mineral impurities.

P29 BOILER PLANT EQUIPMENT.

Charge to this account the cost of all equipment devoted to the generation of steam. This includes boilers, boiler fittings, metal stacks and breechings, mechanical stokers, fuel oil supply system, feed pumps, water feed piping, injectors, economizers, feed water heaters, superheaters, valves, steam piping from the boilers to the throttle valves, boiler water purification equipment, cranes, coal and ash conveyors, crushers, steam traps and similar auxiliary equipment in the boiler plant.

P30 STEAM POWER PUMPING PLANT EQUIPMENT.

Charge to this account the cost of all steam power pumping plant equipment, including the cost of steam pumping engines, pumps and prime movers, whether reciprocating engines or turbines; condensers, vacuum pumps and oiling system; power transmission equipment, such as shafting, belting, rope and cable drives, gearing, clutches, pulleys, idler wheels, auxiliary motors, hoists and cranes, together with necessary valves, governors, etc.

NOTE.—Utilities desiring to do so may subdivide this account as follows:

- (a) Steam Engines and Turbines.
- (b) Pumps and Pump Equipment.
- (c) Miscellaneous Steam Power Pumping Station Equipment.

P31 HYDRAULIC POWER PUMPING PLANT EQUIPMENT.

Charge to this account the cost of the hydraulic power works and all equipment of the hydraulic power pumping station, including the cost of all dams, canals and flumes devoted to the production of hydraulic power and the delivery of water to the headgates of the water wheels and turbines. Charge also with the cost of waste-ways and tail races from the outlet of the draft tube to the point of final discharge, including the cost of all gates, valves and all accessories, sluices, forebays, etc., used in the development of hydraulic power and all accessories, canals and aqueducts; also all water wheels and turbines used in the pumping of water by hydraulic power, governors and all apparatus appurtenant thereto from the headgates and governors to the waste-ways. Charge also with the cost of all pumps at the station operated by hydraulic power, together with the power transmission equipment, such as shafting, belting, rope and cable drives, gearing, clutches, pulleys, idler wheels and auxiliary pumping station equipment, such as motors, hoists, cranes, valves, etc.

NOTE.—Utilities desiring to do so may subdivide this account as follows:

- (a) Hydraulic Power Works.
- (b) Water Wheels and Turbines.
- (c) Pumps and Pump Equipment.
- (d) Miscellaneous Hydraulic Power Pumping Station Equipment.

P32 ELECTRIC GENERATION, TRANSMISSION AND TRANSFORMATION EQUIPMENT.

Charge to this account the cost of all electric generation, transmission and transformation equipment operated by the accounting utility for the purpose of pumping water by electric power.

The costs included in this account shall be subdivided according to the accounts prescribed by the Classification for Municipal Electric Light and Power Utilities. ("Fixed Assets"—Division III, "Equipment.")

P33 ELECTRIC POWER PUMPING PLANT EQUIPMENT.

Charge to this account the cost of all equipment of the electric power pumping station, including the cost of power pumps and pumping equipment, electric prime movers used for operating such power pumps, together with switchboards and auxiliary electrical equipment and power transmission equipment, such as shafting, belting, rope and cable drives, gearing, clutches, pulleys, idler wheels, auxiliary motors, hoists, cranes, etc.

NOTE.—Utilities desiring to do so may subdivide this account as follows:

- (a) Electric Prime Movers.
- (b) Pumps and Pump Equipment.
- (c) Miscellaneous Electric Power Pumping Station Equipment.

P34 GAS PRODUCER PLANT EQUIPMENT.

Charge to this account the cost of all gas producer plant equipment operated by the accounting utility for the purpose of pumping water by gas power, embracing gas producers, economizers, regenerators, vaporizers, steam injectors, scrubbers, exhauster outfits, seals, appurtenant boilers and pumps, flues and piping, blower engines, gas piping from producers to gas prime movers and to holders, producer gas holders, exhaust piping, etc.

P35 GAS POWER PUMPING PLANT EQUIPMENT.

Charge to this account the cost of all equipment of the gas power pumping station, including the cost of all gas engines used as prime movers for pumping equipment, the cost of all pumping equipment operated by gas power, together with the power transmission equipment, such as shafting, belting, rope and cable drives, gearing, clutches, pulleys, idler wheels and auxiliary pumping station equipment, such as auxiliary motors, hoists, cranes, etc.

NOTE.—Utilities desiring to do so may subdivide this account as follows :

- (a) Gas Engines.
- (b) Pumps and Pump Equipment.
- (c) Miscellaneous Gas Power Pumping Station Equipment.

P36 SUPPLY TRANSMISSION AQUEDUCTS AND MAINS.

Charge to this account the cost of all supply transmission aqueducts and mains between the source of supply and collecting system and the distribution system. This includes the cost of all excavating, tunnels, bridges, trestles, piling, underground crossings of rivers, railroads, etc.; such equipment as air valves, blow offs, special castings, lead packing, shut offs, manholes, valves, etc.; also the cost of filling trenches and restoring the surface of the ground or roadways, including roadway pavements and other roadway improvements, to their former condition or to that required by governmental authority.

P37 SUPPLY TRANSMISSION RESERVOIRS, TANKS AND STAND-PIPES.

Charge to this account the cost of all supply transmission reservoirs, tanks and standpipes and their accessories.

P38 SUPPLY TRANSMISSION TELEPHONE LINES AND EQUIPMENT.

Charge to this account the cost of all supply transmission telephone lines and their equipment, including telephone switchboards, instruments, poles, crossarms, insulators, wire, etc.

P39 DISTRIBUTION RESERVOIRS, TANKS AND STANDPIPES.

Charge to this account the cost of all distribution reservoirs, tanks and standpipes and their accessories.

P40 DISTRIBUTION MAINS.

Charge to this account the cost of all distribution mains in place used in the distribution of water to the beginning of the service connections, including the cost of special work, castings, lead packing, shut offs, manholes, valves, etc.; and the original installation cost of trenching, filling and restoring streets and alleys and their improvements to their former condition.

P41 HYDRANTS.

Charge to this account the cost of all hydrants and hydrant connections in place in the distribution system, including the cost of all material and the original installation cost of trenching, filling and restoring streets and street improvements to their former condition.

P42 SERVICES.

Charge to this account the cost of all service pipes and appurtenances in place in or leading to the consumers' premises; and the original installation cost of trenching, filling and restoring streets and alleys and their improvements to their former condition.

NOTE.—Care should be used to exclude service pipes and appurtenances which are not the property of the accounting utility.

P43 METERS.

Charge to this account the cost of all meters installed for determining the amount of water delivered to consumers.

Charge also to this account the cost of setting such meters.

P44 FIRE CISTERNS, BASINS, FOUNTAINS AND TROUGHS.

Charge to this account the cost of all fire cisterns, basins, fountains and troughs, including the cost of all masonry and concrete work in connection with the construction of any cisterns and basins and all foundations and settings for fountains and troughs, together with the cost of all material used in construction and the original installation cost of excavating, trenching, filling and restoring streets and street improvements to their former condition.

P45 DISTRIBUTION TELEPHONE LINES AND EQUIPMENT.

Charge to this account the cost of all distribution telephone lines and their equipment, including telephone switchboards, instruments, poles, crossarms, insulators, wire, etc.

P46 STORES DEPARTMENT EQUIPMENT.

Charge to this account the cost of all equipment of the Stores Department (except office equipment which will be charged to Account "P50"), not permanently attached to buildings, including loading and unloading machinery, such as derricks, cranes, hoists, conveying apparatus, scales, etc.

P47 GENERAL SHOP EQUIPMENT.

Charge to this account the cost of all general shop equipment, including power equipment, shafting, belting, machine tools, cranes, hoists, blacksmithing equipment, etc. Exclude low valued and short lived hand tools.

NOTE.—Utilities may subdivide this account for the purpose of keeping separate the equipment in each general shop.

P48 UTILITY EQUIPMENT.

Charge to this account the cost of all utility equipment, including wagons, drays, trucks, harness, horses, automobiles, bicycles, motorcycles, etc.

NOTE.—Utilities may subdivide this account for the purpose of keeping separate the different classes of utility equipment.

P49 MISCELLANEOUS EQUIPMENT.

Charge to this account the cost of all equipment not included in any of the other capital accounts, including such items as engineering and laboratory instruments and tools, and other work instruments, tools and portable equipment. Exclude low valued and short lived hand tools.

NOTE.—Utilities may subdivide this account for the purpose of keeping separate the different classes of miscellaneous equipment.

P50 OFFICE EQUIPMENT.

Charge to this account the cost of furniture, furnishings and mechanical equipment, such as typeing, duplicating, computing and kindred machinery and appliances of a permanent nature used for office purposes, located at offices, stations, substations, stores departments, etc.

P51 BOARDING HOUSE AND EMPLOYEES' DWELLING HOUSE FURNISHINGS.

Charge to this account the cost of furniture, furnishings and appliances, not permanently attached to buildings, used for boarding house and employees' dwelling purposes.

C. UNDISTRIBUTED CAPITAL.

I. SPECIAL CONSTRUCTION EXPENDITURES.

The term "Special Construction" as used in this division is intended to apply to special construction of important units of plant. Current construction of relatively minor additions to plant shall not be included in this division.

Upon completion of special construction the accounts in this division will be subject to appropriate distribution to the property and plant accounts of the preceding division.

When two or more special projects are under construction each of the accounts in this division which are affected shall be so subdivided as to represent separately the respective costs of each project.

P52 OPERATIONS PRELIMINARY TO SPECIAL CONSTRUCTION.

This account is chargeable with all expenses such as the cost of investigations, data compiled, expenses incident to election, advertising, etc., preliminary to special construction.

Disposition of such expenses, when incurred before construction is authorized, shall be considered as undetermined and charged to an appropriate subdivision of Account "A88 Other Unadjusted Debits."

When construction is duly authorized all such preliminary expense applying thereto and included in Account "A88" shall be credited to that account and charged to this account; and the expense applying to proposed projects abandoned shall be credited to Account "A88" and charged to Account "S22 Losses Accrued (Other than Income)—Current Annual Period," or to "S24 Delayed Losses Accrued in Prior Periods" or to both in such proportion as may be applicable.

P53 SPECIAL CONSTRUCTION ENGINEERING AND SUPERINTENDENCE.

Charge to this account the salaries, office expenses and general expenses of engineers, draftsmen, superintendents, general inspectors, clerks and others when engaged in the engineering and superintendence of special construction.

P54 USE OF SPECIAL CONSTRUCTION WORK EQUIPMENT.

Charge to this account all costs incurred by the use of "Special Construction Work Equipment." This includes upkeep expenses and rental expenses of equipment acquired by lease or loan. The loss in value of such equipment determined upon its retirement from special construction use will be represented in Account "P61 Special Construction Work Equipment" and will be transferred to this account.

The purchase cost of such equipment shall not be included in this account but shall be charged to Account "P61 Special Construction Work Equipment."

P55 SPECIAL CONSTRUCTION LAW EXPENSE.

Charge to this account all law expenses incurred during the period of special construction. This includes salaries and expenses of counsel and attorneys, their clerks and assistants, etc.; charge also with the cost of law books, printing briefs, legal forms, testimony reports, fees and retainers of counsel and attorneys, court costs, notarial and witness fees, expenses of taking depositions, and general law and court expenses during special construction; expenses of arbitrators of disputed points will also be charged to this account. When any of the expenditures above enumerated can be charged directly to the special construction accounts for which they were incurred they shall be so charged.

P56 SPECIAL CONSTRUCTION INJURIES AND DAMAGES.

Charge to this account all expenditures on account of damage to or destruction of property other than that owned by the utility attributable to special construction; and all expenses incident to the injury or death of employes or other persons for which injury or death the utility is held liable or for which allowances are made. This includes such items of expense as judgments and court costs, proportion of salaries and expenses or fees of physicians and surgeons, expenses of nurses, hospitals and undertakers, medical and surgical supplies, transportation of injured persons, wages and salaries paid to employes while disabled, salaries and expenses of the utility's claim agent, adjusters and other assistants, and the compensation of counsel or attorneys engaged in the defense and settlement of damage suits.

P57 SPECIAL CONSTRUCTION INSURANCE.

Charge to this account all amounts of premiums chargeable to special construction insurance.

P58 SPECIAL CONSTRUCTION INTEREST, PREMIUM AND DISCOUNT.

Charge to this account each month during the period of special construction the accrued monthly proportion of all interest on debt incurred for special construction purposes. This includes interest on funded debt, funds borrowed by transfer and payments overdue to contractors and others.

When discount on funded debt may be legally allowed, charge to this account each month during the period of special construction the accrued monthly proportion of discount allowed on funded debt incurred for special construction purposes—the proportion to be determined according to the entire lives of the debts to which the discount respectively applies—and credit to Account "A82 Unamortized Discount on Funded Debt."

Credit to this account each month during the period of special construction the accrued monthly proportion of premium derived on funded debt incurred for special construction purposes—the proportion to be determined according to the entire lives of the debts to which the premium respectively applies—and charge to Account "L22 Unamortized Premium on Funded Debt."

Credit also to this account interest received or receivable accrued during special construction on moneys or credits acquired for special construction purposes.

P59 SPECIAL CONSTRUCTION MISCELLANEOUS EXPENDITURES.

Charge to this account all miscellaneous special construction expenditures not specifically chargeable to the other accounts of this division.

P60 SPECIAL CONSTRUCTION OF PLANT.

Charge to this account the cost of intangible and tangible property entering into and becoming a part of the plant constructed. This includes the cost of water rights, licenses, easements, rights of way, etc., having a life of more than one year; and lands, buildings, fixtures, grounds and equipment not included in any of the preceding accounts.

NOTE.—The entries to this account should be supported by complete supplementary data to be available for reference in making explanatory entries to close this account at the completion of special construction and to make available the proper distribution of the corresponding charges to the appropriate property and plant accounts of the preceding division.

P61 SPECIAL CONSTRUCTION WORK EQUIPMENT.

Charge to this account the purchase or constructed cost of equipment owned and acquired for construction of special projects. This includes such items as excavating, erecting, transportation and other equipment, tools and instruments.

Such equipment when retired from special construction use shall be credited to this account at the actual value then determined and charged to other appropriate equipment accounts, investment account or other accounts affected by its sale.

Loss in value accrued during the period of construction as determined upon the retirement of such equipment from special construction use, shall be credited to this account and charged to Account "P54 Use of Special Construction Work Equipment."

NOTE.—Expense of upkeep, etc., shall not be included in this account. See provisions for Account "P54" for this purpose.

P62 SPECIAL CONSTRUCTION MATERIALS AND SUPPLIES.

This account will include the cost of materials and supplies acquired for the purpose of special construction when the same are accounted for thru the operation of special construction stores and not included in Account "A76 Materials and Supplies" (Current Assets).

Charge to this account the cost of all such material and supplies at the cost f.o.b. place of storage. This includes the invoice cost, cost of freight, switching, demurrage, cartage, etc.

Transfers of materials and supplies between special construction stores (Account "P62"), and operating stores (Account "A76"), shall be accounted on a basis of equitable value and cost applicable to special construction and operation, respectively.

The value of materials and supplies on hand at the completion of special construction included in this account shall be transferred to Account "A76" and an appreciable difference or loss accrued, if any, during the period of special construction between cost and value at the time of such transfer shall be adjusted and applied to the appropriate accounts of this division.

NOTE.—If desired, subdivisions of this account may be opened to accommodate segregation of the different classes of materials and supplies and locations of stores.

II. UNDISTRIBUTED FIXED CAPITAL.

P63 UNDISTRIBUTED FIXED CAPITAL AS OF DECEMBER 31, 1915.

Charge to this account the value of all property and plant owned by the utility and devoted to its operation, as of December 31, 1915, which cannot be appropriately distributed to the preceding capital accounts.

When property and plant included in this account is retired from service, this account should be credited with its value as represented in this account, or, if such is not available, with the estimated value.

**P64 UNDISTRIBUTED COST OF PROPERTY AND PLANT PUR-
CHASED SUBSEQUENT TO DECEMBER 31, 1915.**

Charge to this account the cost of property and plant purchased subsequent to December 31, 1915, for the purpose of operation by the utility, when such cost cannot, at the time of acquirement, be appropriately distributed to the capital accounts preceding this division.

As soon as the proper distribution of such cost can be determined, credit this account with same and charge to appropriate property and plant accounts.

INVESTMENTS.

A65 INVESTMENTS.

Charge to this account all property held as an investment. By "Investments" as here used is meant the cost of the utility's title to or interest in all properties not used in present operations.

Appropriate subdivisions of this account should be made to keep separate the different classes or units of investment.

SINKING, REDEMPTION AND SPECIAL FUND ASSETS.

A66 BOND SINKING AND REDEMPTION FUNDS—CASH.

Charge to this account all cash set apart for bond sinking and redemption fund purposes.

Charge also to this account all income derived from bond sinking and redemption fund investments.

Credit to this account all disbursements of bond sinking and redemption funds cash for the redemption of outstanding bonds.

Credit also to this account all withdrawals of cash for the purpose of investment.

Subdivisions of this account shall be made for each sinking and redemption fund with title to correspond with that of each class of bonds to which it respectively applies.

A67 SPECIAL FUNDS—CASH.

Charge to this account all cash set apart for specified purposes other than for bond sinking and redemption funds.

Charge also to this account all income derived from investments made from such funds, when such investments are made for the purpose of carrying out the provisions for which the fund is created.

Credit to this account all cash disbursements made for the purposes for which the fund is created.

Credit also to this account all withdrawals of cash for the purpose of investment.

Subdivisions of this account shall be made for each fund with title denoting its character.

A68 BOND SINKING AND REDEMPTION FUNDS—INVESTMENTS.

Charge to this account the par value of securities acquired by investments of bond sinking and redemption funds.

A subdivision of this account shall be made for the investments of each sinking and redemption fund under the subdivision title of the sinking or redemption fund from which the investment is made. Distinction should be made between the "cash" and "investment" accounts of bond sinking and redemption funds by use of the words "Cash" and "Investments" as provided.

A69 SPECIAL FUNDS—INVESTMENTS AND LOANS.

Charge to this account the investments and loans made from special funds. Securities acquired should be represented at par value.

A subdivision of this account shall be made for the investments and loans of each special fund under the subdivision title of the special fund from which the investment or loan is made. Distinction should be made between the "cash" and "investment" and "loan" accounts of special funds by use of the words "Cash" and "Investments" and "Loans" as provided.

CURRENT ASSETS.

A70 CURRENT FUND CASH.

Charge to this account all current receipts of money and bank credits, checks and drafts receivable subject to satisfaction or transfer on demand.

Credit to this account all current cash disbursements.

A subdivision of this account shall be made for each fund established for current purposes.

A71 CONSTRUCTION FUND CASH.

Charge to this account all receipts of money and bank credits, checks and drafts receivable subject to satisfaction or transfer on demand, derived from proceeds of bond sales, appropriations and other sources, and receivable for the purpose of funding construction projects.

Credit to this account all cash disbursements for construction purposes.

Subdivisions of this account shall be made to keep separate the fund transactions where more than one construction fund or construction project occurs.

A72 SPECIAL DEPOSITS.

Charge to this account special deposits of funds of the utility held by banks and trust companies subject to withdrawal for specified purposes. This will include such items as proceeds of bonds sold, when held by trustees in accordance with authorized trust agreements, deposits made to insure the performance of contracts and special deposits not otherwise provided for.

NOTE.—Bond interest and redemption deposits shall not be included in this account. See Account "A73."

A73 BOND INTEREST AND REDEMPTION DEPOSITS.

Charge to this account all sums withdrawn from funds of the utility and deposited or transmitted for deposit for the payment of interest and principal of outstanding bonds included in the liabilities of the utility. (Indirect payments reimbursing the General Fund or Current Expense Fund of the City will be charged as provided in Account "L16 General Tax Revenues Applied to Bond Interest.")

At the close of each month the total amount withdrawn from the deposits in payment of such interest and principal as is evidenced by the cancelled interest coupons and the cancelled bonds received by the City Treasurer during the month, shall be credited to this account. The amount of interest so paid shall be charged to Account "L10 Matured Interest on Funded Debt," and the amount of principal so paid shall be charged to the appropriate outstanding bond liability.

This account shall be subdivided, as follows:

- (a) **Deposits Transmitted to the Fiscal Agency of the State of Washington in the City of New York.**

(Ref. L. '95, p. 353, Sec. 1, p. 354, Sec. 2-3-4, p. 355, Sec. 5-6; R. & B. C., Sec. 5019-5024, inc.)

- (b) **Deposits With Banks and Trust Companies.**

A74 FUND TRANSFER LOANS RECEIVABLE.

Accounts for fund loans receivable arising from transfers between funds shall be kept in such detail as to fully represent each such transfer and the respective funds to which it applies.

Charge to this account all loans receivable made by transfer from funds of the utility to funds of other municipal departments (except loans from "Special Funds" as provided in Account "A69") and credit the fund drawn upon.

The entries should include information as to authorization and conditions stipulated.

A75 ACCOUNTS RECEIVABLE.

Charge to this account all amounts owing to the utility on open accounts, as follows: (Exclude negotiable instruments.)

(a) Consumers' Accounts Receivable—Current.

Charge to this subaccount and credit to appropriate "Revenue" accounts each month the total amount of accounts receivable from consumers.

Credit to this subaccount all collections and adjustments allowed applying to such accounts before they become delinquent.

Credit also to this subaccount all consumers' accounts uncollected, as they become delinquent and charge to the following subaccount "b."

Any balance of this subaccount outstanding at the close of the month should represent the total amount of uncollected accounts which have not become delinquent.

(b) Consumers' Accounts Receivable—Suspense.

Charge to this subaccount, as described above, all consumers' accounts receivable uncollected as they become delinquent.

Credit to this subaccount all collections and adjustments allowed applying to such delinquent accounts.

(c) Sundry Accounts Receivable.

Charge to this subaccount all amounts receivable for labor and material furnished to and expenses incurred for other municipal departments, taxing districts, firms and individuals.

(d) Other Accounts Receivable.

Include here accounts receivable not otherwise provided for.

A76 MATERIALS AND SUPPLIES.

Charge to this account the cost of all materials and supplies and appliances at the cost f. o. b. point of delivery to the place of storage. This includes the invoice cost of the material and supplies, freight, switching, demurrage, cartage, etc. Utilities may open subaccounts for different classes of materials and supplies.

A77 INTEREST RECEIVABLE.

Charge to this account all interest receivable, as follows:

(a) Interest Receivable Accrued on Fund Transfer Loans.

Charge monthly the accruals of interest receivable when the interest is stipulated in the conditions upon which the loans are made.

(b) Interest Receivable Accrued on Deposits with Banks and Trust Companies.

Charge monthly the accruals of interest receivable on deposits.

(c) Interest Due From the City on Account of Deposits with Banks and Trust Companies.

When the proceeds of interest earned upon deposits of the utility's funds are included in the General Fund or Current Expense Fund of the City, the amounts thereof will be here charged.

(d) Other Interest Receivable Accrued.

Charge monthly the accruals of interest receivable upon interest bearing securities, matured accounts and commercial paper.

NOTE.—Exclude all interest receivable accruing upon sinking, redemption and special funds investments and loans.

A78 RENTS RECEIVABLE.

Charge to this account monthly as they accrue all rents receivable as a return upon leased property, and credit to Account "RE207 Rental of Real Estate and Buildings" or Account "RE209 Other Miscellaneous Revenues and Expenses" as may be applicable.

A79 OTHER CURRENT ASSETS.

Charge to this account all current assets of the utility not included in any of the preceding current asset accounts. Property readily convertible into money and which is being held with the intention of being so converted will be considered as a current asset and charged to this account when not properly chargeable to other current asset accounts.

DEFERRED ASSETS.

A80 WORKING FUND ADVANCES.

Charge to this account amounts advanced to officers, employees and authorized agents, as working funds from which certain expenditures are to be made and accounted for.

A81 OTHER DEFERRED ASSETS.

Include in this account deferred assets not otherwise provided for.

UNADJUSTED DEBITS.

A82 UNAMORTIZED DISCOUNT ON FUNDED DEBT.

When discount may be legally allowed on bonds and other evidences of funded debt sold, charge to this account all amounts of such discount allowed.

Credit to this account each month the monthly proportion of discount extinguished and charge to Account "P58 Special Construction Interest, Premium and Discount" the amount applicable to the period of construction, and to Account "D4 Amortization of Discount on Funded Debt" the amount applicable to the period of operation. This proportion shall be sufficient in amount to completely extinguish the unamortized discount of each bond issue or other evidence of funded debt upon or before their maturity.

A83 PREPAID INSURANCE.

Charge to this account all premiums on insurance when paid in advance of their accrual. As premiums thus prepaid accrue, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate accounts.

A84 PREPAID RENTS.

Charge to this account all rents paid in advance of their accrual. As the rent thus prepaid accrues, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate accounts.

A85 OTHER PREPAID ACCOUNTS.

Charge to this account all prepaid items of the utility not included in the preceding prepaid accounts. As the amounts thus paid accrue, credit to this account at monthly intervals the amount applicable to the month and charge same to the appropriate accounts.

A86 GENERAL SHOP WORK IN PROGRESS.

Charge to this account all labor and materials entering as direct costs of jobs in progress in general shops owned and operated by the utility.

Credit to this account such costs when the jobs are completed and charge to appropriate accounts. (See definition of Account "RE202.")

This account will be subdivided, as follows:

(a) Construction and Repairs.

Include all general shop work in progress for purposes of the utility.

(b) Work Performed for Others.

Include all general shop work in progress performed for other municipal departments, taxing districts, public institutions, firms and individuals.

A87 MISCELLANEOUS WORK IN PROGRESS.

Charge to this account the cost of all labor and materials used and other expenditures incurred on work in progress other than general shop work. Such charges are subject to option in subaccount "a."

Credit to this account such costs charged herein when the jobs are completed and charge to appropriate accounts.

This account will be subdivided, as follows:

(a) Construction and Repairs.

The use of this subaccount is optional. When used it shall include miscellaneous work in progress, other than general shop work, for purposes of the utility.

(b) Work Performed for Others.

Include all miscellaneous work in progress, other than general shop work, performed for other municipal departments, taxing districts, public institutions, firms and individuals.

A88 OTHER UNADJUSTED DEBITS.

Charge to this account all debit items not otherwise provided for, the proper final disposition of which is undetermined.

As soon as the proper disposition of any item charged to this account can be determined it shall be credited to this account and charged to appropriate accounts.

DEFICIT.

When at the close of any current annual period a debit balance is produced by the cumulative total amounts of all income, profit and loss as represented by the balances appearing in Accounts "S60," "L32," "L33," "L34," and "L35," collectively, or Accounts "S60" and "A89," collectively, any balance standing in any of the Surplus Accounts "L32," "L33," "L34" and "L35" shall be closed and the said debit balance shall be represented by Account "A89 Deficit." At the close of any current annual period a deficit balance will be equivalent to that amount by which the liabilities exceed the assets.

A89 DEFICIT.

This account shall include by annual periods the net debit balance, if any, of all income, profit and loss.

NOTE.—Current entries shall not be made to this account.

CAPITAL LIABILITIES.

L1 GENERAL BONDS OUTSTANDING.

Outstanding general bonds issued by the municipality for purposes of the utility which are included in the liabilities of the utility, shall be credited to this account at par value.

A subdivision of this account with descriptive title shall be made for each class of such bonds.

L2 REVENUE BONDS OUTSTANDING.

Credit to this account the par value of all bonds outstanding which are payable from the revenues of the utility.

A subdivision of this account with descriptive title shall be made for each class of such bonds.

L3 OTHER CAPITAL LIABILITIES.

Credit to this account capital liabilities other than bonds.

Subdivisions of this account shall be made to keep separate the transactions, where more than one kind or class of such liabilities occurs.

CURRENT LIABILITIES.

L4 CURRENT FUND WARRANTS OUTSTANDING.

An account with descriptive title shall be carried for warrants drawn upon current funds of the utility.

Credit to this account the amounts of all such warrants issued.

Charge to this account the amounts of all such warrants redeemed by payment and credit Account "A70 Current Fund Cash."

Charge also to this account the amounts of all such warrants cancelled and credit appropriate accounts.

L5 CONSTRUCTION FUND WARRANTS OUTSTANDING.

An account with descriptive title shall be carried for warrants drawn upon construction funds of the utility.

Credit to this account the amounts of all such warrants issued.

Charge to this account the amounts of all such warrants redeemed by payment and credit Account "A71 Construction Fund Cash."

Charge also to this account the amounts of all such warrants cancelled and credit appropriate accounts.

Subdivisions of this account shall be made when occasioned by issue of warrants drawn upon more than one construction fund.

L6 OTHER FUNDS WARRANTS OUTSTANDING.

Accounts with descriptive titles shall be carried for warrants drawn upon funds other than those provided for in the preceding accounts. Each account shall correspond to the fund drawn upon and shall include only the warrants drawn upon the respective fund.

Credit the amounts of all such warrants issued.

Charge the amounts of all such warrants redeemed by payment and credit the funds drawn upon.

Charge also the amounts of all such warrants cancelled and credit appropriate accounts.

L7 FUND TRANSFER LOANS PAYABLE.

Accounts for fund loans payable arising from transfers between funds shall be kept in such detail as to fully represent each such transfer and the respective funds to which it applies.

Credit to this account all loans payable received by transfer from funds of other municipal departments to funds of the utility and charge to the fund receiving the amount of the loan.

The entries should include information as to authorization and conditions stipulated.

NOTE.—See definitions of Accounts "L16" and "L17."

L8 ACCOUNTS PAYABLE.

Credit to this account when incurred, all liabilities of the utility on open accounts not included in any of the other current liability accounts, as follows:

(a) Audited and Approved Claims.

All audited and approved claims upon the utility duly sworn to in conformity with law (*) for materials, supplies and service furnished and expenses incurred, except items of salaries, wages and contractors' estimates. (Contractors' estimates are provided for in Accounts "L9" and "L19.")

(b) Salaries and Pay Roll.

All audited and approved annual and monthly salaries and daily wages (*) due to officers and employees.

(c) Other Accounts Payable.

Include here accounts payable not otherwise provided for.

L9 AMOUNTS PAYABLE NOT RETAINED ON CONTRACTORS' ESTIMATES.

Credit to this account all claims by contractors' estimates upon the utility duly sworn to in conformity with law (See "*"—Account "L8") for materials, supplies and service furnished, work performed and expenses incurred, in accordance with terms of contract or authorized special agreements, audited and approved for payment less all amounts previously settled by payment, warrant issue, bond issue or otherwise and less all amounts retained. Amounts retained will be included in account "L19."

* Ref: L. '09, p. 142, Sec. 9; L. '09 Ex. Ses., p. 56, Sec. 1; R. & B. C., Sec. 8354.

L10 MATURED INTEREST ON FUNDED DEBT.

Credit to this account and charge to Account "L12 Unmatured Interest Accrued on Funded Debt" all interest owing by the utility upon the amount of its funded indebtedness which has matured but remains unpaid to the holders of interest coupons, whether the cause is on the part of the coupon holder due to time necessary for returns in transit or for other reasons. All such interest maturing on the close of any calendar month shall be included in this account as on the close of such month.

When such interest is directly paid from funds of the utility the amounts shall be charged to this account and credited, as they apply, to Account "A73 Bond Interest and Redemption Deposits," or to appropriate fund. When paid by the municipality from funds derived from general tax revenues the amounts shall be charged to this account and credited to Account "L16 General Tax Revenues Applied to Bond Interest."

L11 MATURED MISCELLANEOUS INTEREST.

Credit to this account and charge to Account "L13 Unmatured Miscellaneous Interest Accrued" all interest matured and unpaid owing by the utility upon the amount of its called warrants outstanding and other unfunded obligations. All such interest maturing on the close of any calendar month shall be included in this account as on the close of such month.

When such interest is paid the amounts shall be charged to this account and credited to the fund drawn upon.

L12 UNMATURED INTEREST ACCRUED ON FUNDED DEBT.

Credit to this account on the close of each month all interest accrued during the month upon the funded indebtedness of the utility.

When such interest matures it shall be charged to this account and credited to Account "L10 Matured Interest on Funded Debt."

Credit also to this account all amounts received for the liability of interest accrued on bond coupons attached to bonds sold and charge to appropriate fund.

L13 UNMATURED MISCELLANEOUS INTEREST ACCRUED.

Credit to this account on the close of each month all interest accrued during the month upon uncalled warrants outstanding and other unfunded obligations of the utility.

When such interest matures it shall be charged to this account and credited to Account "L11 Matured Miscellaneous Interest."

L14 CONSUMERS' DEPOSITS.

Credit to this account all cash deposited to the credit of the utility by consumers as security for the payment of bills.

Deposits refunded shall be charged to this account and credited to the appropriate fund. That portion of deposits applicable to uncollectible accounts shall be credited to the account of consumer involved and charged to this account.

L15 OTHER CURRENT LIABILITIES.

Credit to this account at their face value all unfunded obligations for which the utility is liable and which are not elsewhere provided for.

SPECIAL MUNICIPAL LIABILITIES.

L16 GENERAL TAX REVENUES APPLIED TO BOND INTEREST.

When general bonds issued by the municipality are included in the liabilities of the utility, credit to this account all disbursements made by the municipality from general tax revenues in payment of interest on such bonds and charge to Account "L10 Matured Interest on Funded Debt."

Charge to this account all reimbursements made by the utility to the municipality of such interest paid.

L17 GENERAL TAX REVENUES APPLIED TO BOND SINKING AND REDEMPTION FUNDS.

Credit to this account all amounts derived from general tax revenues of the municipality which have been transferred to bond sinking and redemption funds of the utility.

Charge to this account all reimbursements made by the utility to the municipality on account of such transfers.

L18 ACCRUED CHARGES IN LIEU OF GENERAL TAXES AND ASSESSMENTS ON REVENUES.

Credit to this account all accruals of charges in lieu of general taxes and assessments on revenues in favor of the General Fund or Current Expense Fund of the City and charge to Account "D6 Charges in Lieu of General Taxes and Assessments on Revenues."

When paid, the amounts shall be charged to this account and credited to the appropriate fund.

DEFERRED LIABILITIES.

L19 AMOUNTS RETAINED ON CONTRACTORS' ESTIMATES.

Credit to this account all amounts retained on contractors' estimates allowed in accordance with terms of contract, authorized special agreements or otherwise.

Charge to this account all disbursements of amounts retained. This includes disbursements to contractors on account of final settlement, to contractors' assignees, to others on account of court claims and judgments allowed, and the disbursement of all amounts applicable to those retained and due to the utility for forfeitures or otherwise in accordance with terms of contract, special agreements, claims, or judgments allowed in favor of the utility.

L20 SPECIAL DEPOSITS.

Credit to this account all cash deposited to the credit of the utility for the purpose of guarantee, except deposits made to secure consumers' accounts.

Deposits refunded shall be charged to this account and credited to the appropriate fund. That portion of the deposits applicable to guaranteed charges shall, upon the maturity of such charges, be charged to this account and credited to the appropriate accounts.

L21 OTHER DEFERRED LIABILITIES.

Include in this account deferred liabilities not otherwise provided for.

UNADJUSTED CREDITS.

L22 UNAMORTIZED PREMIUM ON FUNDED DEBT.

Credit to this account the amounts of all premiums derived in connection with the sale of bonds and other evidences of funded debt.

Charge to this account each month the monthly proportion of premium extinguished and credit to Account "P58 Special Construction Interest, Premium and Discount" the amount applicable to the period of construction, and to Account "D5 Amortization of Premium on Funded Debt—Credit" the amount applicable to the period of operation. This proportion shall be sufficient in amount to completely extinguish the unamortized premium of each bond issue or other evidence of funded debt upon or before their maturity.

L23 RESERVE FOR ACCRUED DEPRECIATION—TANGIBLE FIXED ASSETS.

Credit to this account all charges made to Account "DA151 Depreciation of Tangible Fixed Capital."

When any tangible fixed asset is retired from service charge to this account that part of its cost which has been credited to this account. (See definition of Account "DA151.")

The credit balance of this account should represent the total net amount of depreciation charged to operating expenses applicable to tangible fixed assets in service at such time.

NOTE.—This account should appear on the balance sheet as an off-set to "Tangible Fixed Assets" and not among "Reserves."

L24 RESERVE FOR ACCRUED AMORTIZATION—INTANGIBLE FIXED ASSETS.

Credit to this account all charges made to Account "DA152 Amortization of Intangible Fixed Capital."

Charge to this account that part of the cost of any intangible fixed asset which has been credited to this account the value of which has expired or is extinguished prior to the expiration of its service value. The intangible fixed asset account affected will be correspondingly credited.

The credit balance of this account should represent the total amount of amortization charged to operating expenses applicable to intangible fixed assets the service value of which has not been extinguished.

NOTE.—This account should appear on the balance sheet as an off-set to "Intangible Fixed Assets" and not among "Reserves."

L25 RESERVE FOR ACCRUED DEPRECIATION—PROPERTY HELD AS A NON-OPERATING INVESTMENT.

Credit to this account such amounts as are estimated to be sufficient to cover accrued losses by depreciation of property held as a non-operating investment, and charge, as they apply, to Accounts "RE207 Rental of Real Estate and Buildings" or "RE209 Other Miscellaneous Revenues and Expenses."

When any property held as a non-operating investment ceases to be so held, charge to this account that part of its value depreciated which has been credited to this account.

The method applied to such depreciation will be the same in principle as that provided in definition of Account "DA151."

NOTE.—This account should appear on the balance sheet as an off-set to "Investments" and not among the "Reserves."

L26 RESERVE FOR LOSSES BY BAD DEBTS.

Credit to this account such amounts as are estimated to be sufficient for reserve to cover losses of accounts receivable, and correspondingly charge, as follows: to Account "S22(c) Estimated Losses Accrued—Current Annual Period" that part applicable to accounts receivable accrued during the current annual period; and to Account "S24 Delayed Losses Accrued in Prior Periods" that part applicable to accounts receivable accrued during periods prior to the current annual period.

Charge to this account and credit to the appropriate subdivision of "Accounts Receivable" the losses by bad debts charged off applicable to the reserve balance of this account.

Charge also to this account all losses credited herein which have been collected.

L27 OTHER RESERVES FOR LOSSES NOT RECORDED IN ASSET ACCOUNTS.

Credit to this account such amounts as are estimated to be sufficient to cover probable losses not otherwise provided for and charge to appropriate accounts.

Charge to this account and credit to appropriate asset accounts the amounts of such losses as become chargeable and are applicable to the reserve balance of this account.

Charge also to this account all losses credited herein which have been recovered.

Appropriate subdivisions of this account should be made to keep separate the items applying to different purposes.

L28 PLANT CONSTRUCTION BY LOCAL IMPROVEMENT DISTRICTS.

Credit to this account the cost of plant included in the fixed assets of the utility which has been constructed by Local Improvement Districts.

L29 OTHER UNADJUSTED CREDITS.

Credit to this account all credit items not otherwise provided for, the proper final disposition of which is undetermined.

As soon as the proper disposition of any item credited to this account can be determined it shall be charged to this account and credited to appropriate accounts.

SURPLUS.

The surplus at the close of each current annual period will be the collective amount of the balances appearing in the following Accounts "L32," "L33," "L34" and "L35" representing the cumulative credit balance of all income, profit and loss. At the close of any current annual period the surplus balance will be equivalent to the amount by which the assets exceed the liabilities.

When at the close of any current annual period a debit balance is produced by the cumulative total amounts of all income, profit and loss as represented by the balances appearing in Accounts "S60," "L32," "L33," "L34" and "L35," collectively, or Accounts "S60" and "A89," collectively, any balance standing in any of the following surplus accounts shall be closed and the said debit balance shall be represented by Account "A89 Deficit." At the close of any current annual period a deficit balance will be equivalent to that amount by which the liabilities exceed the assets.

L32 BOND SINKING AND REDEMPTION FUND RESERVES.

Credit to this account all reserves for bond sinking and redemption funds charged to Accounts "S31 Appropriations of Income for Bond Sinking and Redemption Fund Reserves" and "S41 Appropriations of Surplus for Bond Sinking and Redemption Fund Reserves."

Charge to this account all amounts of reserves included in this account applied for the redemption of funded debt and credit to Account "S51 Reserves Applied for Redemption of Funded Debt."

When the whole or any part of a reserve included in this account is abrogated not contrary to law or contractual requirement the amount so abrogated shall be charged to this account and credited to Account "S53 Reserves Abrogated."

NOTE.—All net income derived from bond sinking and redemption fund investments shall be included in this account. Such income when received or receivable may be credited directly to this account and charged to the appropriate funds, or if it is preferred to include the revenues and expenses of such investments with "Income," the items may be also included in Account "RE209 Other Miscellaneous Revenues and Expenses" with corresponding entries to appropriate funds, and included in the credits to this account through the appropriations of income.

L33 SPECIAL FUND RESERVES.

Credit to this account all reserves for special funds charged to Accounts "S32 Appropriations of Income for Special Fund Reserves" and "S42 Appropriations of Surplus for Special Fund Reserves."

Charge to this account all amounts of reserves included in this account applied for the purposes of special fund reserves, and credit to Account "S52 Reserves Applied for Other Purposes."

When the whole or any part of a reserve included in this account is abrogated not contrary to law or contractual requirement the amount so abrogated shall be charged to this account and credited to Account "S53 Reserves Abrogated."

NOTE.—All net income derived from special fund investments and loans shall be included in this account. Such income when received or receivable may be credited directly to this account and charged to the appropriate funds, or if it is preferred to include the revenues and expenses of such investments and loans with "Income," the items may be also included in Account "RE209 Other Miscellaneous Revenues and Expenses" with corresponding entries to appropriate funds, and included in the credits to this account through the appropriations of income.

L34 RESERVES NOT SPECIFICALLY INVESTED.

Credit to this account all reserves for which no specific investment or segregation of funds has been made, which have been charged to Accounts "S33 Appropriations of Income Not Specifically Invested" and "S43 Appropriations of Surplus Not Specifically Invested."

Charge to this account all amounts of reserves included in this account applied for purposes for which the reservation has been made and credit to Account "S52 Reserves Applied for Other Purposes."

When the whole or any part of a reserve included in this account is abrogated not contrary to law or contractual requirement the amount so abrogated shall be charged to this account and credited to Account "S53 Reserves Abrogated."

L35 SURPLUS NOT SPECIFICALLY RESERVED.

This account shall include by annual periods the net credit balance of all income, profit and loss not specifically reserved.

NOTE.—Current entries shall not be made to this account.

